

the Act because it should add certainty as to when and how adjustments will be made to option contracts due to an issuer's distribution of stock dividends. Removal of the requirement in OCC's rules providing for Commission review of OCC adjustment panel decisions also should add certainty and predictability to the options market. Furthermore, administrative inefficiencies should be reduced because adjustment panels will be convened only when there is an extraordinary stock dividend rather than each time issuers distribute an ordinary stock dividend.

As a self-regulatory organization, OCC has been granted significant authority under the Act. The use of an adjustment panel to administer the adjustment of standardized options is an example of the broad authority Congress granted to self-regulatory organizations. However, it is expected that OCC will notify the Commission of any adjustment panel's decision (i) to adjust standardized option contracts for stock or cash dividends that otherwise would be deemed ordinary under OCC's rules, interpretations, or policies or (ii) not to adjust standardized option contracts for stock or cash dividends that otherwise would not be deemed ordinary under OCC's rules, interpretations, or policies.

III. Conclusion

On the basis of the foregoing, the Commission finds that the proposal is consistent with the requirements of the Act and in particular with the requirements of Section 17A of the Act and the rules and regulations thereunder.

It is therefore ordered, pursuant to Section 19(b)(2) of the Act, that the proposed rule change (File No. SR-OCC-95-13) be, and hereby is, approved.

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

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-3418 Filed 2-14-96; 8:45 am]

BILLING CODE 8010-01-M

[Release No. 34-36822; Filed No. SR-Phlx-95-88]

Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change and Amendment Nos. 1 and 2 to the Proposed Rule Change by the Philadelphia Stock Exchange, Inc., Relating to Trading Rotations, Halts or Reopenings

February 8, 1996.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 12b-4 thereunder,² notice is hereby given that on December 26, 1995, the ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II below, which Items have been prepared by the Exchange. The Exchange submitted Amendment No. 1 to the Commission on January 29, 1996.³ The Exchange submitted Amendment No. 2 to the Commission on February 8, 1996.⁴ The Commission is approving this proposal, as amended, on an accelerated basis.

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

The Exchange proposed to amend Floor Procedure Advice ("Advice") G-2, Trading Rotations, Halts or Reopenings, to add reference to Super Cap Index ("Index") options to correspond to recent amendments to Rule 1047A. Specifically, paragraph (a)(i) is proposed to be amended to add Super Cap Index options, providing that the opening rotation for Super Cap Index options may be held after underlying securities representing 75% of the current index value of all

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ In Amendment No. 1, the Exchange proposes to further amend Phlx Rule 1047A and Floor Procedure Advice G-2 to state that in addition to the requirement that 75% of the current index value must be open for trading on the primary market before an opening rotation in Super Cap Index options can commence, at least 3 stocks underlying the Super Cap Index must also be open for trading on the primary market. See Letter from Edith Hallahan, Special Counsel, Phlx, to Michael Walinskas, Branch Chief, Office of Market Supervision ("OMS"), Division of Market Regulation ("Market Regulation"), Commission, dated January 29, 1996 ("amendment No. 1").

⁴ The Exchange proposes to further amend both Rule 1047A and Floor Procedure Advice G-2 by incorporating the opening rotation requirements for Super Cap Index options into Exchange Requirements regarding re-openings. See Letter from Gerald O'Connell, First Vice President, Market Regulation and Trading Operations, Phlx, to Michael Walinskas, Branch Chief, OMS, Market Regulation, Commission, dated February 8, 1996 ("amendment No. 2").

securities underlying the Index have opened for trading on the primary market, and at least 3 stocks underlying the Index are open for trading on the primary market.⁵ The second paragraph will continue to require that an opening rotation be held as soon as practicable, respecting both industry index and Super Cap Index options, once underlying securities representing 90% of the current index value of all the securities underlying the index have opened for trading on the primary market.

The Exchange also proposes to amend provisions regarding reopenings in both Rule 1047A and Floor Procedure Advice G-2 by incorporating the requirements for a Super Cap Index opening rotation. Thus, the underlying securities representing 75% of the current Index value and three stocks must be open for trading on the primary market before Super Cap Index options may reopen after a trading halt.⁶

The Exchange also proposes to correct the recently approved text to Rule 1047A respecting Super Cap Index options opening rotations to state that 90% of the "current index value" of all the securities underlying the index must have opened for trading on the primary market in order for an opening to be required. Currently, the text incorrectly refers to 90% of the securities. The entire sentence referring to Super Cap Index options is proposed to be deleted, thus deleting the incorrect text, and replacing it with new language pertaining to the new "75% of the current Index value, and 3 underlying stocks" requirements. The text of the proposed rule change is available at the Office of the Secretary, the Exchange, and at the Commission.

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

In this filing with the Commission, the Exchange included statements concerning the purpose of and basis for the proposed rule change. The text of these statements may be examined at the places specified in Item IV below. The Exchange has prepared summaries, set forth in Section (A), (B), and (C) below, of the most significant aspects of such statements.

⁵ See Amendment no. 1, *supra* note 3.

⁶ See Amendment No. 2, *supra* note 4.

(A) Self-Regulatory Organization's Statement of the Propose of, and Statutory Basis for, the Proposed Rule Change

The Commission recently approved the listing and trading of Phlx Super Cap Index options, noting that the Index is not classified as either an "industry" or a "market" index.⁷ Thus, the Exchange amended various rules, including Rule 1047A, respecting trading rotations, halts and reopenings. Currently, Rule 1047A, and the corresponding Advice G-2, provide that the opening rotation for industry index options may be held after underlying securities representing 50% of the current index value of all the securities underlying the index have opened for trading on the primary market. Further, once underlying securities representing 90% of the current index value of all the securities underlying the index have opened for trading on the primary market, the opening rotation shall be held as soon as practicable. With respect to a market index, the opening rotation shall be held at or as soon as practicable after the opening of business on the Exchange.

Rule 1047A was amended to state that the opening rotation for Super Cap Index options may be held only after underlying securities representing 74% of the current index value of all securities underlying the index have opened for trading on the primary market.⁸ Moreover, an opening rotation is required to be held as soon as practicable, respecting both industry index and Super Cap Index options, once underlying securities representing 90% of the current index value of all the securities underlying the index have opened for trading on the primary market.

The Exchange is proposing at this time to incorporate these changes into Advice G-2. At the time Rule 1047A was being amended, the corresponding change to Advice G-2 was inadvertently omitted.⁹ The Exchange is also proposing to correct a portion of Rule 1047A, which states that once 90% of the securities of the Super Cap Index are open for trading, the opening rotation for the options must be held. The

corrected text would require that 90% of the current index value of the Index must be open.

The Exchange also proposes to amend provisions regarding reopenings in both Rule 1047A and Floor Procedure Advice G-2 by incorporating the requirements for a Super Cap Index opening rotation. Thus, the underlying securities representing 75% of the current Index value and three stocks must be open for trading on the primary market before Super Cap Index options may reopen after a trading halt.¹⁰

The Exchange notes that the remainder of Rule 1047A continues to apply to Super Cap Index options. For instance, modified rotations/SORT procedures are governed by paragraph (b), halts by paragraph (c), and closing rotations are not required for expiring options, pursuant to paragraph (e).

The Exchange believes that the proposed rule change is consistent with Section 6(b) of the Act in general and furthers the objectives of Section 6(b)(5) in particular in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and is not designed to permit unfair discrimination between customers, issuers, brokers or dealers.

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

The Exchange believes that the proposed rule change will impose no burden on competition.

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

No written comments were solicited or received with respect to the proposed rule change.

III. Commission's Findings and Order Granting Accelerated Approval of the Proposed Rule Change

The Exchange has requested that the proposed rule change be given accelerated effectiveness pursuant to Section 19(b)(2) of the Act in order to promptly correct both Rule 1047A and Advice G-2 respecting Super Cap Index options. 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 the requirements of section 6(b) (5) thereunder. Specifically, the Commission believes that the proposed rule change is appropriate because it

makes Floor Procedure Advice G-2 consistent with recent amendments to Phlx Rule 1047A. The Commission notes further that the proposed rule change ensures that in addition to requiring that at least 75% of the current Super Cap Index value is open for trading on the primary market, the Exchange will require that at least 3 of the 5 components will be open for trading. Given the small number of Index components, the Commission believes that this requirement is important to ensure that trading in the Index options only commences, or reopens following a trading halt, if at least a majority of the Index components are also open for trading.

The Commission finds good cause for approving the proposed rule change, as amended, prior to the thirtieth day after the date of publication of the notice thereof in the Federal Register. For reasons discussed above, the Commission notes that the proposed rule change does not raise any new or unique regulatory issues and is consistent with changes recently approved by the Commission for the Super Cap Index in Phlx Rule 1047A. The addition of the minimum 3 stock requirement also will strengthen the "75% of current index value" requirement by ensuring that trading in the Super Cap Index only commences, or reopens following a trading halt, when a sufficient number of component stocks have opened, or reopened for trading. Accordingly, the Commission believes that it is consistent with Sections 6(b) (5) and 19(b)(2) of the Act to approve this proposed rule change on an accelerated basis.

IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, NW., Washington, DC 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 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 in the Commission's Public Reference Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing will also be available for

⁷ See Securities Exchange Act Release No. 36369 (October 13, 1995), 60 FR 54274 (October 20, 1995) (SR-Phlx-95-22) ("Super Cap Index Options Approval Order").

⁸ In addition to the 75% requirement for Super Cap Index options, the Exchange will also require that at least 3 stocks underlying the Super Cap Index must also be open for trading on the primary market before the opening rotation may commence. See Amendment No. 1, *supra* note 3.

⁹ See Super Cap Index Options Approval Order, *supra* note 7.

¹⁰ See Amendment No. 2, *supra* note 4.

inspection and copying at the principal office of the Phlx. All submissions should refer to File No. SR-Phlx-95-88 and should be submitted by March 7, 1996.

It is therefore ordered, pursuant to Section 19(b) (2) of Act,¹¹ that the proposed rule change (File No. SR-Phlx-95-88), as amended, is hereby approved on an accelerated basis.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.¹²

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 96-3360 Filed 2-14-96; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Office of International Aviation; Notice of Request for Extension and Revision of a Currently Approved Information Collection

AGENCY: Office of the Secretary, DOT.

ACTION: Notice and Request for Comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35, as amended) the notice announces the Department of Transportation's (DOT) intentions to request an extension for and revision to a currently approved information collection.

DATES: Comments on this notice must be received by no later than April 15, 1996.

ADDRESSES: Four (4) copies of any comments should be sent to the Pricing and Multilateral Affairs Division (X-43), Office of International Aviation, Office of the Secretary, U.S. Department of Transportation, 400 7th Street SW., Washington, DC 20590-0002.

FOR FURTHER INFORMATION CONTACT: Mr. Keith A. Shangraw or Mr. John H. Kiser, Office of the Secretary, Office of International Aviation, X-43, Department of Transportation, at the address above. Telephone: (202) 366-2435.

SUPPLEMENTARY INFORMATION:

Title: Tariffs.

OMB Control Number: 2106-0009.

Expiration Date: April 30, 1996.

Type of Request: Extension and revision of a currently approved information collection.

Abstract: Chapter 415 of Title 49 of the United States Code requires that

every air carrier and foreign air carrier file with the Department of Transportation (DOT), publish and keep open (*i.e.* post) for public inspection, tariffs showing all "foreign" or international fares, rates, and related charges for air transportation between points served by it, and points served by it and any other air carrier or foreign air carrier when through fares, rates and related charges have been established; and showing, to the extent required by DOT regulations, all classifications, rules, regulations, practices, and services in connection with such air transportation. Once tariffs are filed and approved by DOT, they become a legally binding contract of carriage between carriers and users of foreign air transportation.

Part 221 of the Department's Economic Regulations (14 CFR Part 221) sets forth specific technical and substantive requirements governing the filing of tariff material with the DOT Office of International Aviation's Pricing and Multilateral Affairs Division. A carrier initiates a tariff filing whenever it wants to amend an existing tariff for commercial or competitive reasons or when it desires to file a new one. Tariffs filed pursuant to Part 221 are used by carriers, computer reservations systems, travel agents, DOT, other government agencies and the general public to determine the prices, rules and related charges for international passenger air transportation. In addition, DOT needs U.S. and foreign air carrier passenger tariff information to monitor international air commerce, carry out carrier route selections and conduct international negotiations.

Respondents: The vast majority of the air carriers filing international tariffs are large operators with revenues in excess of several million dollars each year. Small air carriers operating aircraft with 60 seats or less and 18,000 pounds payload or less that offer on-demand air-taxi service are not required to file such tariffs.

Estimated Number of Respondents: 230.

Average Annual Burden Per Respondent: 5,700 hours.

Estimated Total Annual Burden on Respondents: 1,300,000 hours.

This information collection is available for inspection at the Pricing and Multilateral Affairs Division (X-43), Office of International Aviation, DOT. Copies of 14 CFR Part 221 can be obtained from Mr. Keith A. Shangraw at the address and telephone number shown above.

Comments Are Invited On: (a) Whether the proposed collection of

information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; (b) the accuracy of the Department's estimate of the burden of the proposed information collection; (c) ways to enhance the quality, utility and clarity of the information to be collected; and (d) ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

All responses to this notice will be summarized and included in the request for OMB approval. All comments will also become a matter of public record.

Issued in Washington, D.C. on February 12, 1996.

Jeffrey B. Gaynes,

Assistant Director, Regulatory Affairs, Office of International Aviation.

[FR Doc. 96-3485 Filed 2-14-96; 8:45 am]

BILLING CODE 4910-62-P

Notice of Meeting on Cargo Liability

The Department of Transportation (DOT) is required by the Interstate Commerce Commission Termination Act of 1995, Public Law 104-88, Sec. 103, to conduct a study to determine whether any modifications or reforms should be made to the loss and damage provisions relating to motor carriage, including those relating to limitations of liability. The statute requires the Secretary, at a minimum, to consider the following factors:

- Efficient delivery of transportation services
- International harmony
- Intermodal harmony
- The public interest; and
- The interests of carriers and shippers

The study is to be completed in 12 months and be submitted to Congress, together with any recommendations of the Secretary, including legislative recommendations or reforms identified by the Secretary as being appropriate.

The public is invited to a public meeting at DOT headquarters in order to comment on and contribute to the study. To do an adequate study the Department will need information about the volume and value of cargo being transported and about shippers' and carriers' loss and damage costs. Those who cannot attend are invited to send written comments to the contact person listed below.

Time and Date: Friday, February 23, 1996 at 9:30 a.m.

Place: 400 7th Street S.W., Washington, DC 20590, Room 8236.

¹¹ 15 U.S.C. 78s(b) (2).

¹² 17 CFR 200.30-3(a) (12).