

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 March 19, 1998.

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act, that the proposed rule change ST-NASD-98-13, be, and hereby is, approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>7</sup>

[FR Doc. 98-4860 Filed 2-25-98; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-39667; File No. SR-PCX-98-01]

### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Pacific Exchange, Inc. Relating to Expansion of the LMM Book Pilot Program To Include Non-Multiply-Listed Option Issues

February 13, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")<sup>1</sup> and Rule 19b-4 thereunder,<sup>2</sup> notice is hereby given that on January 23, 1998, the Pacific Exchange, Inc. ("PCX" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the PCX.<sup>3</sup> On February 9, 1998, the PCX filed Amendment No. 1 to the rule proposed redesignating the proposal as a "non-controversial" rule filing pursuant to Rule 19b-4(e)(6), which constitutes a substantive change in the proposal.<sup>4</sup> This redesignation renders the rule proposed effective upon receipt of Amendment No. 1 by the Commission pursuant to Section 19(b)(3)(A) of the Act and provides that the rule change become operative 30 days after the date of the filing or such shorter time as the Commission may

designate if consistent with the protection of investors and the public interest. The Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

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

The PCX is proposing to expand its Lead Market Maker ("LMM") Book Pilot Program by allowing qualified LMMs to trade non-multiply-listed option issues under the pilot program.

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

In its filing the Commission, the PCX 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

###### Purpose

On October 11, 1996, the Commission approved an Exchange proposal to adopt a one-year pilot program under which a limited number of LMMs would be able to assume operational responsibility for the options public limit order book ("Book") in certain option issues.<sup>5</sup> On September 22, 1997, the Commission approved an Exchange proposal to extend the program for one year, so that it is currently set to expire on October 12, 1998.<sup>6</sup>

Under the pilot program, approved LMMs manage the Book function, take responsibility for trading disputes and errors, set rates for Book execution, and pay the Exchange a fee for systems and services.<sup>7</sup> Only multiply-listed option issues are currently eligible to be traded

under the pilot program.<sup>8</sup> Initially, the program was limited by allowing no more than three LMMs to participate in the program and no more than 40 option symbols to be used. But on April 1, 1997, the Commission approved an Exchange proposal to expand the program so that up to nine LMMs may participate and up to 150 option symbols may be used.<sup>9</sup>

The Exchange is now proposing to expand the program by allowing LMMs to include non-multiply-listed options within the scope of the program. This change will give program participants greater flexibility in setting Book rates for option issues that they trade, and thus will make the program a better tool for the Exchange to compete with other exchanges for options order flow by lowering transaction costs to the customer.

###### Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act, in general, and Section 6(b)(5), in particular, in that it is designed to facilitate transactions in securities, promote just and equitable principles of trade, and to protect investors and the public interest.

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

The Exchange does not believe that the proposed rule change will impose any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

Written comments on the proposed rule change were neither solicited nor received.

#### III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The PCX initially filed the proposed rule change with the Commission on January 23, 1998, pursuant to Rule 19b-4(e)(1), designating the proposed rule change as constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule, and rendering the rule change effective upon filing pursuant to Section 19(b)(3)(A)(i) of the Act. However, the PCX filed Amendment No. 1 on February 9, 1998 redesignating the proposal as a "non-

<sup>7</sup> 17 CFR 200.30-3(a)(12).

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

<sup>2</sup> 17 CFR 240.19b-4.

<sup>3</sup> The PCX filed this proposed rule change pursuant to Rule 19b-4(e)(1), designating the rule change as constituting a stated policy, practice, or interpretation with respect to the meaning, administration, or enforcement of an existing rule, and thereby rendering it effective upon filing pursuant to Section 19(b)(3)(A) of the Act.

<sup>4</sup> See letter from Michael D. Pierson, Senior Attorney, Regulatory Policy, PCX, to Ann L. Vlcek, Office of Market Supervision, Division, of Market Regulation, Commission, dated February 6, 1998.

<sup>5</sup> See Exchange Act Release No. 37810 (October 11, 1996), 61 FR 54481 (October 18, 1996) (approved File NO. SR-PSE-96-09).

<sup>6</sup> See Exchange Act Release No. 39106 (September 22, 1997), 62 FR 51172 (September 30, 1997) (approving File No. SR-PSE-97-32).

<sup>7</sup> See Exchange Act Release No. 37874 (October 28, 1996), 61 FR 56597 (November 1, 1996) (approving File No. SR-PSE-96-38, establishing a staffing charge for LMMs who participate in the pilot program).

<sup>8</sup> See Exchange Act Release No. 38462 (April 1, 1997), 62 FR 16886 (April 8, 1997) (approving File No. SR-PSE-96-45).

<sup>9</sup> See Exchange Act Release No. 38462, *supra*.

controversial" rule filing under Rule 19b-4(e)(6). This redesignation constituted a substantive change in the proposal, thus rendering the rule change effective upon filing of Amendment No. 1 and providing that it become operative 30 days after the date of the filing or such shorter time as the Commission may designate if consistent with the protection of investors and the public interest pursuant to Section 19(b)(3)(A)(iii) of the Act.

Because the foregoing proposed rule change (1) Does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; (3) does not become operative for 30 days from February 9, 1998, the date on which Amendment No. 1 was filed; and the Exchange provided the Commission with written notice of its intent to file the proposed rule change at least five business days prior to the filing date,<sup>10</sup> the rule change has become effective pursuant to Section 19(b)(3)(A) of the Act and Rule 19b-4(e)(6) thereunder. At any time within 60 days of the filing of such proposed rule change, the Commission may summarily abrogate such rule change if it appears to the Commission that such action is necessary or appropriate in the public interest, for the protection of investors, or otherwise in furtherance of the purposes of the Act.

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning the foregoing, including whether the proposed rule change is consistent with the Act. Persons making written submissions should file six copies thereof with the Secretary, Securities and Exchange Commission, 450 Fifth Street, N.W., 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 in the Commission's Public Reference

<sup>10</sup> The Commission considers the original January 23, 1998 rule filing to be sufficient written notice of PCX's intent to file the proposed rule change that was submitted in the form of Amendment No. 1 on February 9, 1998. The date of the January 23, 1998 rule filing also satisfies the requirement of a minimum pre-filing time period of five business days.

Room, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing will also be available for inspection and copying at the principal office of the PCX. All submissions should refer to File No. SR-PCX-98-01 and should be submitted by [insert date 21 days from date of publication].

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>11</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 98-4856 Filed 2-25-98; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

#### Reports, Forms and Recordkeeping Requirements; Agency Information Collection Activity Under OMB Review

**AGENCY:** Office of the Secretary, DOT.

**ACTION:** Notice.

**SUMMARY:** In compliance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), this notice announces that the Information Collection Request (ICR) abstracted below has been forwarded to the Office of Management and Budget (OMB) for extension of a currently approved collection. The ICR describes the nature of the information collection and its expected burden. The **Federal Register** Notice with a 60-day comment period soliciting comments on the following collection of information was published on December 17, 1997 [62 FR 66175].

**DATES:** Comments must be submitted on or before March 30, 1998.

**FOR FURTHER INFORMATION CONTACT:** Richard Weaver, 400 Seventh Street, SW., Washington, DC 20590. Telephone 202-366-2811.

#### SUPPLEMENTARY INFORMATION:

##### Maritime Administration

*Title:* Voluntary Tanker Agreement.

*Type of Request:* Extension of currently approved information collection.

*OMB Control Number:* 2133-0505.

*Affected Public:* Tanker companies that operate in international trade and who have agreed to participate in the Voluntary Tanker Agreement.

*Abstract:* The collection consists of a request from MARAD that each participant in the Voluntary Tanker Agreement submit a list of the names of ships owned, chartered, or contracted

for by the participant, and their size and flags of registry. There is not prescribed format for this information.

*Need and Use of the Information:* The collected information is necessary to evaluate tanker capability and make plans for the use of this capability to meet national emergency requirements. This information will be used by both MARAD and Department of Defense to establish overall contingency plans.

*Estimated Annual Burden Hours:* 20 hours.

**ADDRESS:** Send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725-17th Street, NW, Washington, DC 20503, Attention DOT Desk Officer. Comments are invited on: 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; the accuracy of the Department's estimate of the burden of the proposed information collection; ways to enhance the quality, utility and clarity of the information to be collected; and 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.

Issued in Washington, DC, on February 19, 1998.

**Vanester M. Williams,**

*Clearance Officer, United States Department of Transportation.*

[FR Doc. 98-4890 Filed 2-25-98; 8:45 am]

BILLING CODE 4910-62-P

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### RTCA; Government Industry Meeting to Review RTCA Recommendations on Free Flight Phase I

Pursuant to section 10(a)(2) of the Federal Advisory Committee Act (Pub. L. 92-463, 5 U.S.C., Appendix 2), notice is hereby given that the FAA will host a Government/Industry meeting to be held March 2, 1998, starting at 2:00 p.m., to review the RTCA recommendations regarding Free Flight Phase I and attendant risk mitigation plans for creating the Century II aviation system. The meeting will be held at The MITRE Corporation, Wilson Building, 7600 Old Springhouse Road, McLean, VA, in Room 1B02.

The agenda will include: (1) Welcome/Opening Remarks by RTCA and the FAA; (2) Presentation of the recommendations by the Co-chairs of

<sup>11</sup> 17 CFR 200.30-3(a)(12).