

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, NW, Washington, DC 20549. Copies of the submissions, 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 persons, 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 filings will also be available for inspection and copying at the principal office of the PCX. All submissions should refer to File No. SR-PCX-98-19 and should be submitted by July 6, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Margaret H. McFarland,
Deputy Secretary.

Exhibit A

Test of the Proposed Rule Change¹

LEAD MARKET MAKERS

¶ 5181 Lead Market Makers

Rule 6.82(a)-(b)—No change.

(c) Obligations of Lead Market Makers

Each LMM *must* [shall] meet the following obligations:

(1)-(10)—No change.

(11) Maintain a cash or liquid asset position [in the amount] of at least \$350,000, plus \$25,000 for each issue over 8 issues that have been allocated to the LMM. [\$100,000 or in an amount sufficient to assume a position of twenty (20) trading units of the security underlying the option the LMM has been allocated, whichever amount is greater.] In the event that two or more LMMs are associated with each other and deal for the same LMM account, this requirement *will* [shall] apply to such LMMs collectively, rather than to each LMM individually;

(12)-(13)—No change.

(d) Rights of Lead Market Makers:

(1)—No change.

(2) *Guaranteed Participation*—No change.

(A) *Multiply-traded Issues*. If the average daily trading volume in a multiply-traded issue reaches 3,000 contracts at the Exchange during any three-calendar-month period (measured on a rolling three-calendar-month basis), [for three consecutive months] and if:

(i) in the case of an issue traded by two options exchanges, the Exchange's *monthly* share of the total multi-exchange customer trading volume in an issue drops from above 70% to below 70%; or

(ii) in the case of an issue traded by three or more options exchanges, the Exchange's *monthly* share of the total multi-exchange customer trading volume in the issue drops from above 45% to below 45%; the Options Allocation Committee *will* [shall] evaluate the LMM's performance in that issue and, based on that evaluation, may reduce the LMM's guaranteed participation in that issue from 50% to 40%.

(B) *Non-multiply-traded Issues*. If the average daily trading volume in a non-multiply-traded issue reaches 3,000 contracts at the Exchange during any three-calendar-month period (measured on a "rolling" three-calendar-month basis) [for three consecutive months,] the Options Allocation Committee *will* [shall] evaluate the LMM's performance in that issue and, based on that evaluation, may reduce the LMM's guaranteed participation in that issue from 50% to 25%.

(C) *Return to Previous Levels of Guaranteed Participation*. If the Options Allocation Committee has reduced an LMM's guaranteed participation in an issue pursuant to subsections (A) or (B) above, and average daily trading volume in the issue falls below 3,000 contracts at the Exchange during any three-calendar-month period (measured on a "rolling" three calendar month basis), the Options Allocation Committee *will* evaluate the LMM's performance in that issue and, based on that evaluation, may raise the LMM's guaranteed participation in that issue from 40% to 50% (in a multiply-traded issue) or from 25% to 50% (in a non-multiply-traded issue).

(e)-(g)—No change.

Commentary: .01-.04—No change.

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DEPARTMENT OF TRANSPORTATION

Aviation Proceedings, Agreements Filed During the Week Ending June 5, 1998

The following Agreements were filed with the Department of Transportation under the provisions of 49 U.S.C. Sections 412 and 414. Answers may be filed within 21 days of date of filing.

Docket Number: OST-98-3898.

Date Filed: June 2, 1998.

Parties: Members of the International Air Transport Association.

Subject: PTC31 S/CIRC PAC 0047 dated May 29, 1998 Expedited South Pacific Resos 002L (r1) & 015v (r2) Tables—PTC31 S/CIRC Fares 0016 dated May 29, 1998 Intended effective date: expedited July 1, 1998.

Docket Number: OST-98-3929.

Date Filed: June 5, 1998.

Parties: Members of the International Air Transport Association.

Subject: PTC31 Telex Mail Vote 938, Las Vegas-Japan fares r1-10, Correction—Telex TE651, Voting Result—Telex TE654, Intended effective date: July 1, 1998.

Docket Number: OST-98-3930.

Date Filed: June 5, 1998.

Parties: Members of the International Air Transport Association.

Subject: CSC/Reso/001 Dated April 1, 1998, Book of adopted Resos/RPs r1-9, Minutes—CSC/Minutes/002 dated May 12, 1998, Intended effective date: October 1, 1998.

Dorothy W. Walker,

Federal Register Liaison.

[FR Doc. 98-15847 Filed 6-12-98; 8:45 am]

BILLING CODE 4910-62-P

DEPARTMENT OF TRANSPORTATION

Notice of Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart Q During the Week Ending June 5, 1998

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: OST-98-3895.

Date Filed: June 1, 1998.

Due Date for Answers, Conforming Applications, or Motions to Modify Scope: June 29, 1998.

Description: Application of Reliant Airlines, Inc. pursuant to 49 U.S.C. Section 41102 and Subpart Q of the Regulations, applies for a certificate of public convenience and necessity authorizing Reliant to conduct interstate charter air transportation of property and mail between points in the United States beginning on or about September 1, 1998.

Docket Number: OST-98-3896.

Date Filed: June 1, 1998.

Due Date for Answers, Conforming Applications, or Motions to Modify Scope: June 29, 1998.

Description: Application of Reliant Airlines, Inc. pursuant to 49 U.S.C. Section 41102 and Subpart Q of the

¹⁰ 17 CFR 200.30-3(a)(12).

¹ New text is italicized, deleted test is bracketed.