

Exchange will authorize and approve Remote Authorizations based on certain qualifications. Each remote PACE terminal will then be individually identified and associated with a particular Remote Authorization holder such that all activity on any particular PACE terminal will be specifically identified and associated, by the use of the Remote Authorization, with an authorized and qualified specialist or registered clerk. The Exchange is proposing to issue Remote Authorizations primarily as a surveillance tool to monitor its remote specialists' operations. Remote Authorization is not transferable and is independent of Exchange membership requirements. Although PACE remote clerks will be required to obtain a Remote Authorization, there is nothing in the Remote Authorization which will grant them any more rights or privileges than a current on-floor clerk possesses. Rule 104, for example, would continue to restrict members in their dealings with non-members, including clerks. Additionally, Rule 748 would require the remote location of a specialist unit to be under the supervision and control of a member and of an appropriately qualified supervisor. The Remote Authorization requirement is designed to permit the Exchange to better surveil the activities of specialists and clerks that utilize the PACE system remotely.¹⁰ Remote Authorization holders will be subject to an on-floor training program as a condition of Remote Authorization, subject to waiver under certain circumstances, pursuant to the terms of Phlx Rule 461(n)(2)(B)(ii).

Implementation. For an initial period, the Exchange intends to limit its remote program to specialist member organizations that maintain concurrent equity floor operations. The EAES Committee will determine the identity and the total number of individual securities that will be included in the remote program. In the future, the Exchange may determine to accept applications from specialist units that do not have concurrent equity floor operations.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with section 6(b) of the Act¹¹ in general, and furthers the objectives of section 6(b)(5)¹² in particular, in that it is

designed to promote just and equitable principles of trade; to foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities; to remove impediments to and perfect the mechanism of a free and open market and a national market system; and, in general, to protect investors and the public interest; and is not designed to permit unfair discrimination between customers, issuers, brokers or dealers. Specifically, the Exchange believes that the proposed rule change will promote efficiency by potentially reducing the costs associated with transactions on the Exchange, and will promote liquidity and competition on the Exchange by enabling specialists to make markets either on or off of the Phlx's physical trading floor. In particular, by allowing Phlx specialists to conduct their activities off of the Exchange's physical trading floor, while retaining the availability of on-floor market making, the Exchange believes that the proposal will permit Phlx specialists to choose the most efficient and cost-effective way to conduct business. At the same time, remote specialists will have full access to the information and functions available on the PACE terminal/trading system, and the PACE trading system will maintain and display limit orders represented by remote specialists consistent with the practice applicable to other Phlx specialists. Accordingly, the Exchange believes that the proposal uses technology in a manner that should promote competition in the securities markets, consistent with the congressional mandate set forth in section 11A of the Act.¹³

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

The Phlx 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

The Phlx has neither solicited nor received written comments with respect to the proposed rule change.

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

Within 35 days of the date of publication of this notice in the **Federal**

Register or within such longer period (I) as the Commission may designate up to 90 days of such date if it finds such longer period to be appropriate and publishes its reasons for so finding or (ii) as to which the Phlx consents, the Commission will:

(A) by order approve such proposed rule change, or,

(B) institute proceedings to determine whether the proposed rule change should be disapproved.

IV. Solicitation of Comments

Interested person 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, NW., Washington, DC 20549-0609. 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 Section. Copies of such filing will also be available for inspection and copying at the principal office of the Phlx. All submissions should refer to File No. SR-Phlx-2001-98 and should be submitted by December 4, 2001.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁴

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 01-28277 Filed 11-9-01; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3364]

State of New York; (Amendment #2)

In accordance with a notice received from the Federal Emergency Management Agency, dated November 1, 2001, the above numbered declaration is hereby amended to extend the deadline for filing applications for physical damages as a result of this disaster to January 10, 2002.

All other information remains the same, i.e., the deadline for filing

¹⁰ See letter from Carla Behnfeldt, Director, Legal Department New Product Development Group, Phlx to John Riedel, Attorney Adviser, Division of Market Regulation, Commission, dated November 1, 2001 ("Amendment No. 1").

¹¹ 15 U.S.C. 78f(b).

¹² 15 U.S.C. 78f(b)(5).

¹³ 15 U.S.C. 78k(a).

¹⁴ 17CFR 200.30-3(a)(12).

applications for economic injury is June 11, 2002.

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

Dated: November 6, 2001.

James E. Rivera,

Acting Associate Administrator for Disaster Assistance.

[FR Doc. 01-28373 Filed 11-9-01; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3372]

Commonwealth of Pennsylvania (And Contiguous Counties in the State of New Jersey)

Philadelphia County and the contiguous counties of Bucks, Montgomery and Delaware in the Commonwealth of Pennsylvania; and Burlington, Camden and Gloucester counties in the State of New Jersey constitute a disaster area due to

damages caused by a five alarm fire that occurred on October 22, 2001.

Applications for loans for physical damage as a result of this disaster may be filed until the close of business on January 2, 2002 and for economic injury until the close of business on August 2, 2002 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 1 Office, 360 Rainbow Blvd., South 3rd Floor, Niagara Falls, NY 14303.

The interest rates are:

| | Percent |
|---|---------|
| For Physical Damage: | |
| Homeowners with credit available elsewhere | 6.500 |
| Homeowners without credit available elsewhere | 3.250 |
| 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 | 6.375 |
| For Economic Injury: | |
| Businesses and small agricultural cooperatives without credit available elsewhere | 4.000 |

The number assigned to this disaster for physical damage is 337205 for Pennsylvania and 337305 for New Jersey. For economic injury, the numbers are 9M9800 for Pennsylvania and 9M9900 for New Jersey.

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

Dated: November 2, 2001.

Hector V. Barreto,

Administrator.

[FR Doc. 01-28372 Filed 11-9-01; 8:45 am]

BILLING CODE 8025-01-P

FOR FURTHER INFORMATION CONTACT: On missile sanctions issues: Pamela Roe, Office of Chemical, Biological and Missile Nonproliferation, Bureau of Nonproliferation, Department of State, (202) 647-4931. On U.S. Government contracts: Gladys Gines, Office of the Procurement Executive, Department of State, (703-516-1691).

SUPPLEMENTARY INFORMATION: Pursuant to section 73(e) of the Arms Export Control Act (22 U.S.C. 2797b(e)), section 11B(b)(5) of the Export Administration Act of 1979 (50 U.S.C. app. 2410b(b)(5))(as carried out under Executive Order 13222 of August 17, 2001 (66 FR 44025)), and section 2 of Public Law 107-57, a determination was made on November 2, 2001, that it is essential to the national security of the United States to waive missile proliferation sanctions imposed on November 21, 2000, on the Pakistani Ministry of Defense ("MOD"), its sub-units and successors, as follows: The prohibition on exports of items and technology and U.S. Government contracts as described in section 73(a)(2)(B) of the Arms Export Control Act (22 U.S.C. 2797b(a)(2)(B)) and the prohibition on new individual export licenses as described in section 11B(b)(1)(B)(ii) of the Export Administration Act of 1979 (50 U.S.C. app. 2410b(b)(1)(B)(ii)) were waived for transactions determined to be needed (1) To support Operation Enduring Freedom and (2) to permit sale or export to Pakistan of defense articles or defense services comparable to those delivery of which was blocked by the imposition of sanctions on May 30, 1998.

The following missile proliferation sanctions will remain in place:

- (1) Sanctions against the Pakistani entities Space and Upper Atmosphere Research Commission (SUPARCO) and National Development Complex (NDC);
- (2) import sanctions against the Pakistani MOD pursuant to section 73(a)(2)(C) of the Arms Export Control Act and section 11B(b)(1)(B)(iii) of the Export Administration Act;
- (3) prohibition on new State or Commerce export licenses to and new USG contracts with the Pakistani MOD in the absence of a determination that the transaction is within the scope of the waiver described above.

Implementing Procedures

This notice also serves as instruction to all U.S. Government agencies as to the procedures for implementing this waiver. Initiating authorities will seek concurrence from the Under Secretary of State for Arms Control and International Security that proposed new individual export licenses or U.S. Government contracts with the Pakistani MOD are within the scope of the waiver. Initiating authorities are instructed to obtain the views of the Departments of State, Defense, Commerce and Treasury as to whether proposed individual export licenses or U.S. Government contracts with the Pakistani MOD are within the scope of the waiver and include those interagency views in their submission to the Under Secretary of State for Arms Control and International Security, who will make the final determination as to whether the proposed licenses or

DEPARTMENT OF STATE

[Public Notice 3838]

Bureau of Nonproliferation; Waiver of Certain Missile Proliferation Sanctions Imposed on the Pakistani Ministry of Defense (MOD)

AGENCY: Department of State.

ACTION: Notice.

SUMMARY: A determination has been made, pursuant to Section 73(e) of the Arms Export Control Act (22 U.S.C. 2797b(e)) and section 11B(b)(5) of the Export Administration Act of 1979 (50 U.S.C. app. 2401b(b)(5)), and in accordance with section 2 of Public Law 107-57, that it is essential to the national security of the United States to waive certain aspects of the missile proliferation sanctions imposed on the Pakistani Ministry of Defense in November 2000.

EFFECTIVE DATE: November 2, 2001.