

trading crowd to ensure that public orders are filled at the best market to a minimum of the disseminated size. In addition, Phlx Options Floor Procedure Advice F-7 provides that the size of any disseminated bid or offer by the Exchange shall be equal to the AUTO-X guarantee for the quoted option and shall be firm, except that the disseminated size of bids and offers of limit orders on the book shall be 10 contracts and shall be firms, regardless of the actual size of the orders. Violations of any of these provisions could be referred to the Business Conduct Committee for disciplinary action.

The Wheel is a mechanism that allocates AUTO-X trades among specialists and Registered Options Traders ("ROTs").<sup>7</sup> An ROT has discretion to participate on the Wheel to trade any option class to which he is assigned. An increase in the maximum AUTO-X order size in QQQ options does not prevent an ROT from declining to participate on the Wheel. Because the wheel rotates in two-lot to ten-lot increments depending upon the size of the order,<sup>8</sup> no single ROT will be allocated the entire 250 contracts.

The Exchange also has procedures that permits a specialist to disengage AUTO-X in extraordinary circumstances.<sup>9</sup> The Exchange represents that AUTOM users will be notified of such circumstances.

With respect to financial responsibility issues, the Exchange notes that it has a minimum net capital requirement respecting ROTs.<sup>10</sup> Furthermore, an ROT's clearing firm performs risk management functions to ensure that the ROT has sufficient financial resources to cover positions throughout the day. In this regard, the function includes real-time monitoring of positions. The Exchange believes that clearing firm procedures address the issue of whether an ROT has the financial capability to support the Auto-X trading of orders in QQQ options as large as 250 contracts.

The Exchange believes that automatic execution of orders in QQQ options for up to 250 contracts should provide customers with quicker executions for a larger number of orders by providing automatic rather than manual executions, thereby reducing the number of orders subject to manual processing. The Exchange also believes

that increasing the AUTO-X maximum order size in QQQ options should not impose a significant burden on operation or capacity of the AUTOM system and will give the Exchange better means of competing with other options exchanges for order flow.

## 2. Statutory Basis

For the reasons stated above, the Exchange believes the proposed rule change is consistent with Section 6(b) of the Act<sup>11</sup> in general, and furthers the objectives of Section 6(b)(5) of the Act<sup>12</sup> in particular, because it is designed 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 by providing automatic executions to a larger number orders in QQQ options.

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

The Exchange does not believe that the proposed rule change will impose any inappropriate 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 either solicited or received.

## 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 Exchange 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 persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule change, as amended, 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 Room. 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-2001-89 and should be submitted by December 6, 2001.

For the Commission, by the Division of Market Regulation, Pursuant to delegated authority.<sup>13</sup>

**Margaret H. McFarland,**  
Deputy Secretary.

[FR Doc. 01-28585 Filed 11-14-01; 8:45 am]

BILLING CODE 8010-01-M

## DEPARTMENT OF STATE

### [Public Notice 3840]

### Office of Defense Trade Controls; Notifications to the Congress of Proposed Commercial Export Licenses

AGENCY: Department of State.

ACTION: Notice.

**SUMMARY:** Notice is hereby given that the Department of State has forwarded the attached Notifications of Proposed Export Licenses to the Congress on the dates shown on the attachments pursuant to sections 36(c) and 36(d) and in compliance with section 36(e) of the Arms Export Control Act (22 U.S.C. 2776).

**EFFECTIVE DATE:** As shown on each of the seventeen letters.

**FOR FURTHER INFORMATION CONTACT:** Mr. William J. Lowell, Director, Office of Defense Trade Controls, Bureau of Political-Military Affairs, Department of State (202 663-2700).

**SUPPLEMENTARY INFORMATION:** Section 38(e) of the Arms Export Control Act mandates that notifications to the Congress pursuant to sections 36(c) and 36(d) must be published in the **Federal Register** when they are transmitted to

<sup>7</sup> Unlike ROTs, specialists are required to participate on the wheel. See Phlx Rule 1080(g).

<sup>8</sup> See Exchange Options Floor Procedure Advice F-24(e).

<sup>9</sup> See Phlx Rule 1080(e) and Exchange Options Floor Procedure Advice A-13.

<sup>10</sup> See Phlx Rule 703.

<sup>11</sup> 15 U.S.C. 78f(b).

<sup>12</sup> 15 U.S.C. 78f(b)(5).

<sup>13</sup> 17 CFR 200.30-3(a)(12).

Congress or as soon thereafter as practicable.

Dated: November 6, 2001.

**William J. Lowell,**

*Director, Office of Defense Trade Controls,  
U.S. Department of State.*

July 16, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves the export of technical data, defense services and defense articles for the Enhanced Paveway II and III Computer Control Groups, Guidance Control Groups and associated hardware, containers and test software for end-use by the United Kingdom Ministry of Defence.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,  
Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 074-01  
The Honorable J. Dennis Hastert,  
Speaker of the House of  
Representatives.

October 1, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed license for the export of major defense equipment sold under a contract in the amount of \$50,000,000 or more.

The transaction described in the attached certification involves the export of the An-Yu Mobile and Fixed Radar System to the Government of Taiwan.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified contains business information submitted to the

Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,  
Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 066-01  
The Honorable J. Dennis Hastert,

Speaker of the House of  
Representatives.

October 7, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed technical assistance agreement for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves the sale of nineteen AN/ALQ-165 (Lot II) aircraft self-protection jammers, test equipment, spares and associated training to the Republic of Korea Air Force.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,  
Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 103-01  
The Honorable J. Dennis Hastert,

Speaker of the House of  
Representatives.

October 1, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(d) of the Arms Export Control Act, I am transmitting herewith certification of a proposed technical assistance agreement for the export of defense services involving the manufacture abroad of significant military equipment.

The transaction contained in the attached certification involves the export of defense services to participate in the design of the Future Royal Navy Aircraft Carrier for the United Kingdom Ministry of Defense.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 104-01  
The Honorable J. Dennis Hastert,

Speaker of the House of  
Representatives.

October 1, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of defense articles or defense services sold commercially under a contract in the amount \$50,000,000 or more.

The transaction contained in the attached certification involves the export of technical information and services for the manufacture of F110/F101/TF39/F404/F404-402/RM12 aircraft engine components in Canada.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 105-01  
The Honorable J. Dennis Hastert,

Speaker of the House of  
Representatives.

October 1, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of defense articles or defense services sold commercially under a contract in the amount \$50,000,000 or more.

The transaction contained in the attached certification involves the export of technical data and assistance to Japan for the manufacture of T53 propulsion engine spare parts for use by the Japan Defense Agency.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 106-01

The Honorable J. Dennis Hastert,

Speaker of the House of Representatives.

October 1, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of defense articles or defense services sold commercially under a contract in the amount \$50,000,000 or more.

The transaction contained in the attached certification involves the export of technical data and assistance to support the manufacture in Japan of the Combined Effects Munition for the Japanese Self Defense Force.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 107-01

The Honorable J. Dennis Hastert,

Speaker of the House of Representatives.

October 1, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of defense articles or defense services sold commercially under a contract in the amount \$50,000,000 or more.

The transaction contained in the attached certification involves the export of technical data and engineering information to Japan for the manufacture of Chukar II and III target drone systems for use by the Japanese Government.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 108-01

The Honorable J. Dennis Hastert,

Speaker of the House of Representatives.

October 1, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of defense articles or defense services sold commercially under a contract in the amount \$50,000,000 or more.

The transaction contained in the attached certification involves the export of technical data and technical assistance to support the manufacture in Japan of microwave tubes for the Japanese Government.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 109-01

The Honorable J. Dennis Hastert, Speaker of the House of Representatives.

October 1, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of defense articles or defense services sold commercially under a contract in the amount \$50,000,000 or more.

The transaction contained in the attached certification involves the export of technical data and technical assistance to support the

manufacture in Japan of the Firebee I Target System for the Japanese Government.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 110-01

The Honorable J. Dennis Hastert, Speaker of the House of Representatives.

October 3, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed technical assistance agreement for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction described in the attached certification involves the export of technical data and assistance associated with the sale of one NIMIQ-2 Direct Broadcast Satellite System commercial communication satellite to Canada.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 111-01

The Honorable J. Dennis Hastert, Speaker of the House of Representatives.

October 3, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed technical assistance agreement for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves the manufacture, maintenance, repair and testing in Japan of the AN/ARR-78(V) Advanced Sonobuoy Communications Link Receiver for installation on P-3C aircraft of the Japanese Government.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,  
Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 113-01  
The Honorable J. Dennis Hastert, Speaker of the House of Representatives.  
October 3, 2001.

Dear Mr. Speaker:

Pursuant to Section 36 (c) and (d) of the Arms Export Control Act, I am transmitting herewith certification of a proposed manufacturing license agreement with South Korea.

The transaction described in the attached certification involves the transfer of technical data and assistance in the manufacture of the AN/ARC-232 (V), also known as the RT-1818 UHF/VHF Multi-Band Have Quick II Tactical Airborne Communications Equipment, for end use by the armed forces of South Korea.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,  
Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 115-01  
The Honorable J. Dennis Hastert, Speaker of the House of Representatives.  
October 10, 2001.

Dear Mr. Speaker:

Pursuant to Section 36 (c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction described in the attached certification involves six launches of commercial communications satellites aboard Delta launch vehicles for the Skybridge program.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,  
Paul V. Kelly,  
*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 099-01  
The Honorable J. Dennis Hastert, Speaker of the House of Representatives.  
October 10, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves the extension through 2011 of the F-15 component manufacturing licensing agreement with Israel.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,  
Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 102-01  
The Honorable, J. Dennis Hastert, Speaker of the House of Representatives.  
October 10, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves the sale of fifty installed and nine spare F100-PW-229 engines, spare parts, ten-year warranty, support equipment and engine test equipment to the Government of Israel, Ministry of Defense.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,  
Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 112-01  
The Honorable J. Dennis Hastert, Speaker of the House of Representatives.  
October 10, 2001.

Dear Mr. Speaker:

Pursuant to Section 36(c) of the Arms Export Control Act, I am transmitting, herewith, certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves the export of defense services and technical data for the manufacture in the United Kingdom of the Vehicle Intercommunications System.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,  
Paul V. Kelly,

*Assistant Secretary, Legislative Affairs.*

Enclosure: Transmittal No. DTC 117-01  
The Honorable J. Dennis Hastert, Speaker of the House of Representatives.

[FR Doc. 01-28653 Filed 11-14-01; 8:45 am]

BILLING CODE 4710-25-P

## DEPARTMENT OF STATE

[Public Notice: 3839]

### United States-Egypt Science and Technology Joint Board Public Announcement of a Science and Technology Program for Competitive Grants To Support Junior Scientist Development Visits by U.S. and Egyptian Scientists

November 1, 2001.

**AGENCY:** U.S. Department of State.

**ACTION:** Notice.

**EFFECTIVE DATE:** November 1, 2001.

#### FOR FURTHER INFORMATION CONTACT:

Vickie Alexander, Program Administrator, U.S.-Egypt Science and Technology Grants Program, U.S. Embassy, Cairo/ECPO, Unit 64900, Box 6, APO AE 09839-4900; phone: 011-(20-2) 797-2925; fax: 011-(20-2) 797-3150; E-mail: [alexanderva@state.gov](mailto:alexanderva@state.gov). The 2001 Program guidelines for Junior Scientist Development visits will be available starting November 1, 2001 on the Joint Board web site: [www.usembassy.egnet.net/usegypt.joint-st.htm](http://www.usembassy.egnet.net/usegypt.joint-st.htm)

#### SUPPLEMENTARY INFORMATION:

**Authority:** This program is established under 22 U.S.C. 2656d and the Agreement for Scientific and Technological Cooperation between the Government of the United States of America and the Government of the Arab Republic of Egypt.