

6. Applicants submit that each Reorganization meets the standard for relief under section 17(b), in that the terms of each Reorganization are reasonable and fair and do not involve overreaching on the part of any person concerned; and each Reorganization is consistent with the general purposes of the Act and with the policies of the respective Acquiring Fund and the corresponding Reorganizing Fund.

For the SEC, by the Division of Investment Management, under delegated authority.

Margaret H. McFarland,

*Deputy Secretary.*

[FR Doc. 96-24861 Filed 9-26-96; 8:45 am]

BILLING CODE 8010-01-M

### Sunshine Meeting Act

Notice is hereby given, pursuant to the provisions of the Government in the Sunshine Act, Pub. L. 94-409, that the Securities and Exchange Commission will hold the following meeting during the week of September 30, 1996.

A closed meeting will be held on Monday, September 30, 1996, at 10:00 a.m.

Commissioners, Counsel to the Commissioners, the Secretary to the Commission, and recording secretaries will attend the closed meeting. Certain staff members who have an interest in the matters may also be present.

The General Counsel of the Commission, or his designee, has certified that, in his opinion, one or more of the exemptions set forth in 5 U.S.C. 552b(c)(4), (8), (9)(A) and (10) and 17 CFR 200.402(a)(4), (8), (9)(i) and (10), permit consideration of the scheduled matters at the closed meeting.

Commissioner Wallman, as duty officer, voted to consider the items listed for the closed meeting in a closed session.

The subject matter of the closed meeting scheduled for Monday, September 30, 1996, at 10:00 a.m., will be:

Institution and settlement of injunctive actions.

Institution and settlement of administrative proceedings of an enforcement nature.

Formal orders of investigation.

At times, changes in Commission priorities require alterations in the scheduling of meeting items. For further information and to ascertain what, if any, matters have been added, deleted or postponed, please contact: The Office of the Secretary at (202) 942-7070.

Dated: September 25, 1996.

Margaret H. McFarland,

*Deputy Secretary.*

[FR Doc. 96-24990 Filed 9-25-96; 12:58 pm]

BILLING CODE 8010-01-M

[Release No. 34-37711; File No. SR-PSE-96-17]

### Self-Regulatory Organizations; Pacific Stock Exchange, Inc.; Order Granting Approval to Proposed Rule Change Relating to Joint Accounts

September 23, 1996.

#### I. Introduction

On June 11, 1996 the Pacific Stock Exchange, Inc. ("PSE" or "Exchange") submitted to the Securities and Exchange Commission ("SEC" or "Commission"), 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> a proposed rule change to eliminate a provision that prohibits members who are registered to trade for the same joint account from having overlapping primary appointment zones on the Options Floor.

The proposed rule change was published for comment in Securities Exchange Act Release No. 37365 (June 25, 1996), 61 FR 34917 (July 3, 1996). No comments were received on the proposal.

#### II. Description of the Proposal

PSE Rule 6.35 currently provides that each market maker shall be assigned a Primary Appointment Zone comprising a minimum of one trading post up to a maximum of six contiguous trading posts.<sup>3</sup> Under Commentary .03 to PSE Rule 6.35, at least 75% of the trading activity of a market maker (measured in terms of contract volume per quarter) shall be in classes of option contracts to which his or her primary appointment extends.<sup>4</sup>

With regard to joint accounts, PSE Rule 6.84, Commentary .05 currently provides that the primary appointment of a market maker may not include trading posts which constitute the primary appointment of any market maker with whom he or she has a joint account. The rule further provides that,

<sup>1</sup> 15 U.S.C. § 78s(b)(1).

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

<sup>3</sup> Previously, market makers were restricted to Primary Appointment Zones comprising one trading post or two contiguous trading posts. See Securities Exchange Act Release No. 363370 (October 13, 1995), 60 FR 54273 (approving increase from two to six in the maximum number of trading posts that may be included in each market maker's Primary Appointment Zone).

<sup>4</sup> PSE Rule 6.35, Commentary .03 provides an exception for unusual circumstances.

for the purposes of evaluating market maker performance in accordance with PSE Rule 6.37, Commentary .04, contract volume in the joint account will be assigned to the participants who effected the transactions for the joint account, under the same guidelines as if they effected the transactions for their own account.

The Exchange proposes to eliminate the provision in Commentary .05 to Rule 6.84 that prohibits joint account participants from having overlapping primary appointment zones. The Exchange believes that this rule places an unnecessary burden on member firms with joint accounts that may desire to have overlapping primary zones for their market makers in order to allow for continuous coverage when participant market makers are temporarily absent from the floor due to illness or vacation. The Exchange also believes that the current procedure of requiring substitute market makers to seek an exemption from Rule 6.35 (or alternatively to assure that the volume of their trading outside their primary zone does not exceed 25% of their total volume), is not efficient. Moreover, the Exchange believes that Rule 6.40, Financial Arrangements of Market Makers, which prohibits participants in the same joint account from trading in the same trading crowd at the same time, will address any concerns that joint account participants may attempt to dominate unfairly the market in a particular option issue or option series.<sup>5</sup>

Finally, the Exchange proposes, for purposes of greater clarity, to eliminate the cross-reference to Rule 6.37, Commentary .04 that is contained in Rule 6.84, Commentary .05 and to replace it with a cross reference to Rule 6.35, Commentary .03.

#### III. Discussion

After careful review, 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, with the requirements of Section 6(b).<sup>6</sup> In particular, the Commission believes the proposal is consistent with the Section 6(b)(5) of the Act in that the proposal is designed to facilitate transactions in securities, to remove impediments to a free and open market, and to promote just and equitable principles of trade.

<sup>5</sup> See also Securities Exchange Act Release No. 37543 (August 8, 1996), 61 FR 42458 (August 15, 1996).

<sup>6</sup> 15 U.S.C. § 78f(b).

The Commission believes that the proposed amendments remove an unnecessary burden on member firms with joint accounts who want to have overlapping primary appointment zones for their market makers in order to allow for continuous coverage when participant market makers are temporarily absent from the floor due to circumstances such as illness or vacation.

The Commission believes that adequate safeguards relating to dealings by members of joint accounts are assured by the application of Rule 6.40, which contains certain trading restrictions on options floor members with "financial arrangements." Specifically, Rule 6.40 prohibits bidding, offering, and/or trading in the same trading crowd at the same time by more than one member of a joint account, unless an exemption is obtained from the Options Floor Trading Committee. The Commission also notes that it has previously approved a PSE proposal to eliminate a commentary to Rule 6.40 prohibiting the primary appointment of a market maker from including trading posts which constitute the primary appointment of any market maker with whom he has an existing financial arrangement, on the basis that it was superfluous in light of the trading restrictions set forth in Rule 6.40.<sup>7</sup> The Commission believes that the similar restriction is likewise superfluous in Commentary .05 to Rule 6.84. Accordingly, the Commission believes Rule 6.40 will adequately address any concerns that joint account participants may attempt to dominate unfairly the market in a particular option issue or option series.

The Commission also believes that it is appropriate, in Rule 6.84, Commentary .05 to make the clarifying change to replace the cross-reference to Rule 6.37, Commentary .04 with a reference to Rule 6.35, Commentary .03.

#### IV. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act,<sup>8</sup> that the proposed rule change (SR-PSE-96-17) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority:<sup>9</sup>

Margaret H. McFarland,  
Deputy Secretary.

[FR Doc. 96-24812 Filed 9-26-96; 8:45 am]

BILLING CODE 8010-01-M

## DEPARTMENT OF TRANSPORTATION

### Coast Guard

[CGD 96-049]

### National Offshore Safety Advisory Committee

AGENCY: Coast Guard, DOT.

ACTION: Notice of meeting.

**SUMMARY:** The National Offshore Safety Advisory Committee (NOSAC) will meet to discuss various issues relating to offshore safety. The meeting will be open to the public.

**DATES:** The meeting of NOSAC will be held on Thursday, November 7, 1996, from 8 a.m. to 4 p.m. Written material and requests to make oral presentations should reach the Coast Guard on or before October 28, 1996.

**ADDRESSES:** The NOSAC meeting will be held in the Shell Annex Auditorium (2nd Floor of the Parking Bldg), 701 Poydras Street, New Orleans, Louisiana. Written material and requests to make oral presentations should be sent to Captain R. L. Skewes, Commandant (G-MSO), U.S. Coast Guard Headquarters, 2100 Second Street SW., Washington, DC 20593-0001.

**FOR FURTHER INFORMATION CONTACT:** Captain R. L. Skewes, Executive Director of NOSAC or Mr. Jim Magill, Assistant to the Executive Director, telephone (202) 267-0214, fax (202) 267-4570.

**SUPPLEMENTARY INFORMATION:** Notice of this meeting is given pursuant to the Federal Advisory Committee Act, 5 U.S.C., App. 2.

#### Agenda of Meeting

National Offshore Safety Advisory Committee (NOSAC). The agenda includes the following:

- (1) Introduction and swearing-in of new members.
- (2) Progress report from the PTP Subcommittee.
- (3) Progress report from the Subcommittee on Pipeline-Free Anchorages for Mobile Offshore Drilling Units (MODUs), Liftboats and Vessels.
- (4) Status report on revision of 33 CFR Subchapter "N", OCS Regulations.
- (5) Status report on the implementation of 46 CFR Subchapter "L" on Offshore Supply Vessels (OSVS) and Liftboats.
- (6) Report on issue concerning the International Maritime Organization (IMO) and the International Organization of Standardization (ISO).

#### Procedure

The meeting is open to the public. At the Chairperson's discretion, members

of the public may make oral presentations during the meeting. Persons wishing to make oral presentations at the meeting should notify the Executive Director no later than October 28, 1996. Written material for distribution at the meeting should reach the Coast Guard no later than October 28, 1996. If a person submitting material would like a copy distributed to each member of the Committee or Subcommittee in advance of the meeting, that person should submit 25 copies to the Executive Director no later than October 21, 1996.

#### Information on Services for the Handicapped

For information on facilities or services for the handicapped or to request special assistance at the meeting, contact Mr. Jim Magill as soon as possible.

Dated: September 23, 1996.

Joseph J. Angelo,

Director of Standards, Marine Safety and Environmental Protection.

[FR Doc. 96-24833 Filed 9-26-96; 8:45 am]

BILLING CODE 4910-14-M

## Federal Highway Administration

### The Congestion Mitigation and Air Quality Improvement (CMAQ) Program of the Intermodal Surface Transportation Efficiency Act—Guidance Update—March 7, 1996

**AGENCIES:** Federal Highway Administration (FHWA) and Federal Transit Administration (FTA), DOT.

**ACTION:** Notice of policy guidance.

**SUMMARY:** The Federal Highway Administration (FHWA) publishes this revised guidance with regard to the Congestion Mitigation and Air Quality Improvement (CMAQ) program. This guidance was previously issued as a memorandum and is printed in its entirety.

**EFFECTIVE DATE:** March 7, 1996.

**ADDRESSES:** USDOT, Federal Highway Administration or Federal Transit Administration, 400 Seventh Street, SW., Washington, D.C. 20590.

**FOR FURTHER INFORMATION CONTACT:** at FHWA, Mr. Michael J. Savonis, Team Leader for Air Quality Policy, (202) 366-2080; at FTA, Mr. Abbe Marner, Environmental Specialist, (202) 366-0096.

#### I. Introduction

As established under the Intermodal Surface Transportation Efficiency Act (ISTEA), the CMAQ Program was designed to substantially expand the

<sup>7</sup> See *supra* note 5.

<sup>8</sup> 15 U.S.C. § 78s(b)(2).

<sup>9</sup> 17 CFR 200.30-3(a)(12).