

The assumed interest rate to be used in determining variable-rate premiums for premium payment years beginning in March 1999 is 4.56 percent (*i.e.*, 85 percent of the 5.37 percent yield figure for February 1999).

The following table lists the assumed interest rates to be used in determining variable-rate premiums for premium payment years beginning between April 1998 and March 1999.

For premium payment years beginning in:	The assumed interest rate is:
April 1998 .....	5.06
May 1998 .....	5.03
June 1998 .....	5.04
July 1998 .....	4.85
August 1998 .....	4.83
September 1998 .....	4.71
October 1998 .....	4.42
November 1998 .....	4.26
December 1998 .....	4.46
January 1999 .....	4.30
February 1999 .....	4.39
March 1999 .....	4.56

#### Multiemployer Plan Valuations Following Mass Withdrawal

The PBGC's regulation on Duties of Plan Sponsor Following Mass Withdrawal (29 CFR part 4281) prescribes the use of interest assumptions under the PBGC's regulation on Allocation of Assets in Single-employer Plans (29 CFR part 4044). The interest assumptions applicable to valuation dates in April 1999 under part 4044 are contained in an amendment to part 4044 published elsewhere in today's **Federal Register**. Tables showing the assumptions applicable to prior periods are codified in appendix B to 29 CFR part 4044.

Issued in Washington, DC, on this 8th day of March, 1999.

**David M. Strauss,**

*Executive Director, Pension Benefit Guaranty Corporation.*

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#### SECURITIES AND EXCHANGE COMMISSION

[File No. 1-11900]

#### Issuer Delisting; Notice of Application To Withdraw From Listing and Registration (Integrated Security Systems, Inc., Common Stock, \$.01 Par Value)

March 8, 1999.

Integrated Security Systems, Inc. ("Company") has filed an application

with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Security Exchange Act of 1934 ("Act") and Rule 12d2-2(d) promulgated thereunder, to withdraw the above specified security ("Security") from listing and registration on the Boston Stock Exchange, Inc. ("BSE" or "Exchange").

The reasons cited in the application for withdrawing the Security from listing and registration include the following:

The Security of the Company has been listed for trading on the BSE and the Nasdaq Stock Market ("Nasdaq"). The Company has complied with the rules of the BSE by filing with the Exchange a certified copy of the resolution adopted by the Company's Board of Directors authorizing the withdrawal of its Security from listing on the BSE and by setting forth the reasons for the proposed withdrawal. In making the decision to withdraw its Security from listing on the BSE, the Company considered the direct and indirect costs and expenses attendant upon continuing dual listing of the Company's Security on the BSE and the Nasdaq Stock Market. The Company does not see any particular advantage in the dual trading of its Security.

The Exchange has informed the Company that it has no objection to the withdrawal of the Company's Security from listing on the BSE.

The Company's application relates solely to the withdrawal from listing of the Security from the BSE and shall have no effect upon the continued listing of the Security on the Nasdaq.

Any interested person may, on or before March 29, 1999, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the Exchange and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

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

**Margaret H. McFarland,**

*Deputy Secretary*

[FR Doc. 99-6219 Filed 3-12-99; 8:45 am]

BILLING CODE 8010-01-M

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41143; File No. SR-PCX-99-01]

#### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Pacific Exchange, Inc. to Define OptiMark Profile and Order Types

March 5, 1999.

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 22, 1999, the Pacific Exchange, Inc. ("PCX" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange is proposing to adopt new rules to distinguish between two types of principal profiles (*i.e.*, "principal exempt" and "principal non-exempt") that may be entered into the OptiMark System ("OptiMark") and to distinguish between four categories of order types for purposes of time priority under the PCX rules on OptiMark.

The text of the proposed rule change is available at the Office of the Secretary, PCX and at the Commission.

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

In its filing with the Commission, the Exchange 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 Exchange has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

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

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

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

1. Purpose

**Background.** The PCX commenced use of OptiMark in January 1999. As part of the operational planning for OptiMark's integration into the PCX auction market, the PCX and OptiMark have examined the structure of the OptiMark matching cycle algorithm to ensure that it reflects (1) the terms of the Commission's approval of the PCX application of the OptiMark system;<sup>3</sup> (2) the equity trading rules of the PCX; and (3) the requirements of Section 11(a) of the Act.<sup>4</sup> As a result of this examination, OptiMark will program its matching cycle algorithm to provide four different levels of time priority. The PCX believes that this algorithm is reasonably and fairly implied by its rules and the terms of the OptiMark Approval Order.

**Proposal.** The PCX proposes to distinguish between two types of principal profiles (*i.e.*, "principal exempt" and "principal non-exempt") and four categories of order types for time priority under its Rule 15.3(b).

First, "principal exempt" and "principal non-exempt" will identify profiles for the account of a member or member organization. The "principal non-exempt" profile includes specialist proprietary, floor broker proprietary and non-exempt member profiles as described below. All other member profiles will be categorized as principal-exempt. The separation of member profiles is designed to insure that entry of these profiles in the OptiMark matching cycle complies with PCX rules. Member proprietary profiles (other than those of specialists and floor brokers) are on parity with agency profiles only when the member does not hold or have knowledge of an unexecuted customer's order or profile at the same price or better. If the member holds or has knowledge of a customer order or profile, the member must designate any proprietary profile as "principal non-exempt."

Second, in the OptiMark Approval Order, the Commission explained the OptiMark priority principals as follows. At the Aggregation Stage, profile priority would be determined by price, standing, time of entry of a profile, and size, in that order.<sup>5</sup> Subject to the considerations imposed by other PCX

rules, specialist proprietary profiles would have a lower time priority than that of a profile submitted by any other user of the system.<sup>6</sup> In addition, a CQS profile's time of entry would be later than that of a profile generated by any other user, including a PCX specialist's proprietary trading profile.<sup>7</sup>

To comply with these specifications and other PCX rules, the OptiMark cycle matching process will prioritize specific categories of orders for time of entry purposes. In other words, after screening for price and standing, the matching algorithm will rank the following categories of profile and order types for time priority purposes:

(1) PCX Book—limit orders from the PCX limit order book;

(2) Agency—other public customer profiles, non-member profiles and "exempt" member proprietary profiles ("principal-exempt") entered directly into OptiMark;

(3) Principal—proprietary profiles submitted by PCX specialists and floor brokers, and "non-exempt" members (all three considered "principal non-exempt"); and

(4) Consolidated Quote System ("CQS") profiles.

Exempt members are those who can have proprietary orders represented on the floor of the PCX without yielding priority under Section 11(a) of the Act. These include non-members of the PCX and, with one exception noted below, PCX members who are not specialists or floor brokers. This category reflects the Commission's no-action letter of November 30, 1998, that generally granted relief with respect to Section 11(a) to all PCX members except specialists and floor brokers (*i.e.*, to members utilizing only off-floor terminals).<sup>8</sup> The exception involves a member who has knowledge that his firm has entered a customer profile into OptiMark. PCX Rule 4.5 and Article XI, Section 2(b) of the PCX Constitution, prohibit a member from engaging in proprietary trading for his or his firm's account on the PCX when he has knowledge of an unexecuted limit order for his firm's customer. Consequently, to prevent a member from knowingly trading ahead of his firm's customer order, a member with knowledge of such an unexecuted customer limit order or profile on the PCX would enter a proprietary profile as a "non-exempt" member and the profile would be placed in the third priority category so that his

firm's customer limit order could be executed first.

For each of the four priority categories, orders within a category would be ranked according to time priority. For example, a limit order entered on the specialist's book at 10:00 would have time priority over a similarly priced limit order entered on the book at 10:01. Both orders would have time priority over other public customer and principal exempt profiles entered directly into OptiMark, principal non-exempt profiles, and CQS profiles. These priorities, however, only reflect time of entry; profiles with better prices or standing would have priority over profiles that are lesser-priced or lack standing, regardless of time of entry into OptiMark.<sup>9</sup>

PCX limit order book profiles receive the highest time priority in order to comply with the procedures under which limit orders currently are handled on the PCX.<sup>10</sup> Under PCX Rule 5.8(c), a bid or offer established as the first made at a particular price obtains priority and precedence over other bids or offers. Because orders on the PCX limit order book exist as bids or offers before they are entered into OptiMark as profiles, they have been established on the PCX before any other profiles are entered into OptiMark. Conversely, profiles entered into OptiMark from off the PCX floor are considered by PCX to be indications of interest that become orders on the PCX only when they are processed in an OptiMark matching cycle.<sup>11</sup> To ensure that orders from the PCX limit order book retain the priority to which they are entitled under PCX Rule 5.8(c), they are accorded the first level of time priority in the OptiMark matching process.

As to the second level of priority, the PCX's current auction procedures do not differentiate between agency and proprietary orders for priority purposes.<sup>12</sup> Consequently, the second

<sup>9</sup> A coordinate with standing has no size limitation at a given price. For example, if a profile to purchase 10,000 shares of stock has a coordinate with a satisfaction value of 1 to purchase all 10,000 shares at a single price, that coordinate would have standing. For a more detailed description of standing see OptiMark Approval Order, *Central Processing*, *supra* note 3.

<sup>10</sup> The OptiMark Approval Order states that the handling of profiles resulting from limit orders submitted by PCX specialists or floor brokers would be consistent with the parameters under which public limit orders are currently filled on the PCX. See OptiMark Approval Order, *Supra* note 3.

<sup>11</sup> *Id.*

<sup>12</sup> See PCX Rule 5.8(c), which states that: "When a bid or offer is clearly established as the first made at a particular price regardless of the floor, the maker shall be entitled to priority and shall have

Continued

<sup>3</sup> Securities Exchange Act Release No. 39086 (September 17, 1997); 62 FR 50036 (September 24, 1997) ("OptiMark Approval Order").

<sup>4</sup> 15 U.S.C. 78k(a).

<sup>5</sup> See OptiMark Approval Order, *supra* note 3; and PCX Rule 15.3(b).

<sup>6</sup> See OptiMark Approval Order, *supra* note 3.

<sup>7</sup> See OptiMark Approval Order, *Supra* note 3.

<sup>8</sup> Letter from Catherine McGuire, Chief Counsel, Division of Market Regulation, SEC, to David E. Rosedahl, Executive Vice President and Chief Regulatory Officer, PCX.

time priority level includes agency and principal exempt profiles.

Specialist and floor broker proprietary profiles and non-exempt member profiles are placed in the third time priority level. The third level reflects: (1) the statement in the OptiMark Approval Order that PCX specialists would have a lower time priority than all other profiles except for CQS profiles;<sup>13</sup> (2) the need to enable floor brokers to comply with Section 11(a) of the Act; and (3) a means to enable an individual member to comply with PCX Rule 4.5. The PCX believes that its existing rules and policies justify equivalent treatment for the three types of principal non-exempt orders. Under current PCX policy, a specialist trading for his own account is on parity with a floor broker trading for his own account on the PCX floor.<sup>14</sup> Because floor broker proprietary orders occur infrequently, they are normally on parity with specialist orders on the PCX floor, and, like specialist profiles, will have to go behind all other profiles in OptiMark except CQS profiles, the PCX believes that it is unnecessary to separate specialist and floor broker proprietary profiles for time priority purposes. Similarly, a member trading for his own account on the PCX normally would be on parity with the specialist. For OptiMark purposes, however, most member proprietary profiles have a higher priority than specialist proprietary profiles. In the limited situation where a member is constrained from trading due to PCX Rule 4.5, the PCX believes it is reasonable to group such a member's profile with specialist and floor broker proprietary profiles. It would be burdensome for the PCX OptiMark Application to create a separate priority category for a member's profile subject to Rule 4.5 when such situations should occur infrequently and considering that under regular PCX priority rules such a member on the floor would be on parity with the specialist and floor broker. Accordingly, the PCX believes that the grouping of specialist, floor broker, and

precedence on the next sale at that price, up to the number of shares of stocks . . . specified in the bid or offer[.]" PCX Rule 5.8(c), *Priority of Bids and Offers*.

<sup>13</sup> *Id.* The provision was intended to prevent specialists from trading ahead of any agency orders. Thus, PCX contends that it is consistent with the OptiMark Approval Order to rank specialist profiles in the same category with other principal non-exempt profiles.

<sup>14</sup> Telephone conversation between Robert P. Pacileo, Staff Attorney, Regulatory Policy, PCX, and David Sieradzki, Special Counsel, Division of Market Regulation, Commission, on February 25, 1999.

non-exempt member proprietary profiles into the principal non-exempt category is both reasonable and consistent with the OptiMark Approval Order's statement that "the Exchange would continue to apply all existing rules governing trading on its equity floor."<sup>15</sup>

Finally, as noted in the OptiMark Approval Order, CQS profiles receive the lowest time priority.

The PCX believes that the four levels of time priority in the OptiMark matching algorithm accurately reflect the description of the OptiMark Application in the OptiMark Approval Order and PCX Rule 15.1(h), which states that the OptiMark Application will permit executions in accordance with "other applicable rules and policies of the Exchange." PCX believes that the time priority levels constitute a material aspect of the operation of the facilities of the PCX,<sup>16</sup> as well as a stated policy, practice or interpretation with respect to the meaning, administration, or enforcement of existing PCX rules under Rule 19b-4(b) of the Act.<sup>17</sup>

## 2. Statutory Basis

The Exchange represents that the proposed rule change is consistent with Section 6(b)<sup>18</sup> of the Act in general and further the objectives of Section 6(b)(5)<sup>19</sup> in particular, because it is designed to promote just and equitable principles of trade, to facilitate transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and to protect investors and the public interest.<sup>20</sup>

## 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.

<sup>15</sup> See OptiMark Approval Order, *supra* note 3.

<sup>16</sup> The PCX Application of OptiMark will be regulated as a facility of the PCX. *Id.*

<sup>17</sup> For the reasons noted above, the PCX believes that the priority levels are reasonably and fairly implied from the OptiMark Approval Order and the rules of the Exchange. Nevertheless, the PCX has determined to file the time priority levels under Section 19(b)(3)(A) of the Act for immediate effectiveness to codify the operation of the matching algorithm of the OptiMark application.

<sup>18</sup> 15 U.S.C. 78f(b).

<sup>19</sup> 15 U.S.C. 78f(b)(5).

<sup>20</sup> In Reviewing this proposal, the Commission has considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

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

The Exchange has neither solicited nor received written comments on the proposed rule change.

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

According to the PCX, the foregoing rule change constitutes a stated policy, practice or interpretation with respect to the meaning, administration, or enforcement of an existing rule of the Exchange and therefore, has become effective pursuant to Section 19(b)(3)(A)(i) of the Act<sup>21</sup> and subparagraph (f)(1) of Rule 19b-4 thereunder.<sup>22</sup> At any time within 60 days of the filing of the 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 at the Commission's Public Reference Room. Copies of such filing also will be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR-PCX-99-01 and should be submitted by April 5, 1999.

<sup>21</sup> 15 U.S.C. 78s(b)(3)(A)(i).

<sup>22</sup> 17 CFR 240.19b-4(f)(1).

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>23</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-6220 Filed 3-12-99; 8:45 am]

BILLING CODE 8010-01-M

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### Proposed Modification of the San Francisco Class B Airspace Area, CA; Public Meeting

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of public meeting.

**SUMMARY:** This notice announces two public meetings. The purpose of these meetings is to brief interested parties regarding the proposed modification of the San Francisco Class B airspace area, CA.

**DATES:** *Meeting:* The public meetings will be held on Monday, April 5, and Wednesday, April 7, 1999, starting at 7:00 p.m. *Comments:* Comments must be received on or before April 30, 1999.

**ADDRESSES:** On April 5, 1999, the meeting will be held at the San Jose City Council Chambers, 801 N. 1st Street, San Jose, CA. On April 7, 1999, the meeting will be held at the Western Aerospace Museum, 8250 Earhart Road, Oakland, CA, located on the North Field of the Oakland Airport.

**COMMENTS:** Send or deliver comments on the proposal in triplicate to: Manager, Air Traffic Division, AWP-500, Federal Aviation Administration, 15000 Aviation Boulevard, Hawthorne, CA 90261.

**FOR FURTHER INFORMATION CONTACT:** Leonard Mobley, Air Traffic Division, AWP-500, FAA, Western-Pacific Regional Office, telephone (310) 725-6620.

#### SUPPLEMENTARY INFORMATION:

##### Meeting Procedures

The following procedures will be used to facilitate the meeting:

(a) The meetings will be informal in nature and will be conducted by a representative of the FAA Western-Pacific Region. Representatives from the FAA will present a formal briefing on the proposed changes to the Class B airspace area. Each participant will be given an opportunity to deliver comments or make a presentation at the meetings.

(b) The meetings will be open to all persons on a space-available basis. There will be no admission fee or other charge to attend and participate.

(c) Any person wishing to make a presentation to the FAA panel will be asked to sign in and estimate the amount of time needed for such presentation. This will permit the panel to allocate an appropriate amount of time for each presenter.

(d) The meeting will not be adjourned until everyone on the list has had an opportunity to address the panel.

(e) Position papers or other handout material relating to the substance of the meetings will be accepted. Participants wishing to submit handout material should present three copies to the presiding officer. There should be additional copies of each handout available for other attendees.

(f) The meetings will not be formally recorded. However, a summary of the comments made at the meetings will be filed in the docket.

#### Agenda for the Meeting

Opening Remarks and Discussion of Meeting Procedures.  
Briefing on Background for Proposals.  
Public Presentations and Comments.  
Closing Comments.

Issued in Washington, DC, on March 9, 1999.

**Reginald C. Matthews,**

*Acting Program Director for Air Traffic Airspace Management.*

[FR Doc. 99-6225 Filed 3-12-99; 8:45 am]

BILLING CODE 4910-13-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### Notice of Intent To Rule on Application To Impose and Use the Revenue From a Passenger Facility Charge (PFC) at Orlando International Airport, Orlando, FL

**AGENCY:** Federal Aviation Administration (FAA), DOT.

**ACTION:** Notice of intent to rule on application.

**SUMMARY:** The FAA proposes to rule and invites public comment on the application to impose and use the revenue from a PFC at Orlando International Airport (MCO) under the provisions of the Aviation Safety and Capacity Expansion Act of 1990 (Title IX of the Omnibus Budget Reconciliation Act of 1990) (Pub. L. 101-508) and Part 158 of the Federal Aviation Regulations (14 CFR Part 158).

**DATES:** Comments must be received on or before April 14, 1999.

**ADDRESSES:** Comments on this application may be mailed or delivered in triplicate to the FAA at the following address: Orlando Airports District Office, 5950 Hazeltine National Drive, Suite 400, Orlando, Florida 32822-5024.

In addition, one copy of any comments submitted to the FAA must be mailed or delivered to Mr. Egerton K. van den Berg, Executive Director of the Greater Orlando Aviation Authority (GOAA) at the following address: Greater Orlando Aviation Authority, One Airport Boulevard, Orlando, Florida 32827-4399.

Air carriers and foreign air carriers may submit copies of written comments previously provided to GOAA under section 158.23 of Part 158.

#### FOR FURTHER INFORMATION CONTACT:

Vernon P. Rupinta, Program Manager, Orlando Airports District Office, 5950 Hazeltine National Drive, Suite 400, Orlando, Florida 32822-5024, (407) 812-6331, x24. The application may be reviewed in person at this same location.

**SUPPLEMENTARY INFORMATION:** The FAA proposes to rule and invites public comment on the application to impose and use the revenue from a PFC at MCO under the provisions of the Aviation Safety and Capacity Expansion Act of 1990 (Title IX of the Omnibus Budget Reconciliation Act of 1990) (Pub. L. 101-508) and Part 158 of the Federal Aviation Regulations (14 CFR Part 158).

On March 4, 1999, the FAA determined that the application to impose and use the revenue from a PFC submitted by GOAA was substantially complete within the requirements of section 158.25 of Part 158. The FAA will approve or disapprove the application, in whole or in part, no later than May 25, 1999.

The following is a brief overview of the application.

*PFC Application No.:* 99-06-C-00-MCO.

*Level of the proposed PFC:* \$3.00.

*Proposed charge effective date:* June 1, 2005.

*Proposed charge expiration date:* June 30, 2005.

*Total estimated PFC revenue:* \$95,772,673.

*Brief description of proposed project(s):* Cargo Road Improvements—Design; Cargo Road Improvements—Construction; South Access Road—Design; South Terminal Earthwork and Site Preparation; FAA Receiver/Transmitter Relocation; Midfield Road Extensions—Design; Hardstand at Airside 1; Airside 1 and 3 Ramp Replacements; Runway Modifications; Operations Training Facility Class or

<sup>23</sup> 17 CFR 200.30-3(a)(12).