

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

The Exchange 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*

Written comments on the proposed rule change were neither solicited nor 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 self-regulatory organization 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 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 PCX. All submissions should refer to File No. SR-PCX-99-02 and should be submitted by April 21, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>36</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-7806 filed 3-30-99; 8:45 am]

BILLING CODE 8010-01-M

### **SECURITIES AND EXCHANGE COMMISSION**

[Release No. 34-41201; File No. SR-PHLX-99-06]

### **Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the Philadelphia Stock Exchange, Inc., Relating to Mandatory Trading Floor Training Requirements**

March 22, 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 February 12, 1999, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II, below, which Items have been prepared by the self-regulatory organization. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to grant accelerated approval to the proposed rule change.

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

The Exchange proposes to adopt new Phlx Rule 625, Options Trading Floor Training. The proposed rule requires that all equity option and index option floor members and their respective personnel complete mandatory training related to that employee's function on the trading floor. The Exchange is also proposing to adopt new Option Floor Procedure Advice, F-30, Options Trading Floor Training and an accompanying fine schedule, such that a minor rule plan citation could be issued.<sup>3</sup> The text of the proposed new

<sup>36</sup> 17 CFR 200.30-3(a)(12).

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

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

<sup>3</sup> The Phlx's minor rule violation enforcement and reporting plan ("Minor Rule Plan"), codified in Phlx Rule 970, contains floor procedure advices with accompanying fine schedules. Rule 19d-1(c)(2) of the Act authorizes national securities exchanges to adopt minor rule violation plans for summary discipline and abbreviated reporting; Rule 19d-1(c)(1) requires prompt filing with the Commission of any final disciplinary actions. However, minor rule violations not exceeding

rule and new Option Floor Procedure Advice is as follows in italics:

#### *Equity Option and Index Option Only*

#### *F-30—Options Trading Floor Training*

*All new equity option and index option floor members, whether specialists, floor brokers or Registered Options Traders, and their respective personnel, shall successfully complete mandatory training related to that employee's function on the trading floor. All current members and their respective personnel shall be subject to continuing mandatory training requirements in order to instruct these individuals on changes in existing automated systems or any new technology that is utilized by the Exchange.*

*Failure to attend the scheduled mandatory training described above may result in the issuance of a fine in accordance with the fine schedule below.*

*Fine Schedule (Implemented on a three year running calendar basis).*

#### *F-30*

*1st Occurrence: \$250.00*

*2nd Occurrence: \$350.00*

*3rd Occurrence: \$500.00*

*4th Occurrence: Sanction is discretionary with Business Conduct Committee*

#### *Rule 625—Options Trading Floor Training*

*All new equity option and index option floor members, whether specialists, floor brokers or Registered Options Traders, and their respective personnel, shall successfully complete mandatory training related to that employee's function on the trading floor. All current members and their respective personnel shall be subject to continuing mandatory training requirements in order to instruct these individuals on changes in existing automated systems or any new technology that is utilized by the Exchange.*

#### **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 self-regulatory organization 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 III below. The self-regulatory organization has prepared summaries, set forth in sections A, B, and C below, of the most significant aspects of such statements.

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

The purpose of the proposed rule is to require all new option floor members, whether specialists, floor brokers, or

\$2,500 are deemed not final, thereby permitting periodic, as opposed to immediate, reporting.

Registered Options Traders ("ROTs"), and their respective personnel, to attend mandatory training related to that employee's function on the trading floor. In addition, all current equity option and index option floor members and their respective personnel shall be subject to continuing training requirements. Currently, the Exchange believes that continued training requirements are necessary in order to instruct these individuals on changes in existing automated systems or new technology that is utilized by the Exchange. In this way, the proposed rule change will ensure that all members are familiar with any new technology or changes in existing technology.

Technology advances are ever-changing. In order to benefit users and remain competitive, the Exchange believes that it is imperative to continue to implement technology improvements and system enhancements. Moreover, these improvements and enhancements often provide for more efficient and quicker dissemination of information to the markets, thereby allowing investors to receive information on a more timely basis. Furthermore, technology improvements and system enhancements generally reduce the risk of clerical error. Therefore, mandated training will ensure that Exchange members and their respective personnel are proficient in using the new technology and will promote a more efficient trading environment.

Additionally, the training requirement would be incorporated as a Floor Procedure Advice, such that a minor rule plan citation could be issued.<sup>4</sup> Using the minor rule plan will enable the Exchange to quickly sanction members for non-compliance.<sup>5</sup> For example, if the staff discovers that an Exchange member has not participated in mandatory or continuing training requirements, a fine could be issued immediately. The issuance of a fine could alleviate situations where failure to participate in mandatory training is a recurring problem, because violations

by a member organization would result in escalating fines, and, eventually, possible disciplinary action by the Exchange's Business Conduct Committee ("BCC"). For failure to attend an Exchange mandated training class, the Exchange proposes a fine of \$250 for a first offense, \$350 for a second offense, and \$500 for a third offense. The sanction is discretionary with the BCC for a fourth offense. The Exchange believes that this type of violation is appropriate for the minor rule plan because it is objective and, thus violations are readily subject to verification.

For these reasons, the Exchange believes that the proposal to require attendance at training sessions is consistent with Section 6 of the Act,<sup>6</sup> in general, and with Section 6(b)(5),<sup>7</sup> in particular, in that it is designed to facilitate transactions in securities and to promote just and equitable principles of trade. Specifically, the Exchange believes that the proposal should promote a more efficient trading environment by (i) educating personnel regarding the use of improved technology and system enhancements; (ii) providing for quicker dissemination of information because the Exchange can train personnel as soon as changes are made; and (iii) lessen the risk of clerical errors. Moreover, mandatory training for equity option and index option floor members and their respective personnel is consistent with the provisions of Section 6(c)(3)(B) of the Act,<sup>8</sup> which makes it the responsibility of an exchange to prescribe standards of training, experience, and competence of persons associated with self-regulatory organization members.

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

The Exchange does not believe that the proposed rule 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. Solicitation of Comments**

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposal 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-99-06 and should be submitted by April 21, 1999.

### **IV. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change**

The Commission has reviewed carefully the Phlx's proposed rule change and believes, for the reasons set forth below, that the Phlx proposal is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange. Specifically, the Commission finds that, consistent with Section 6(b)(5) of the Act,<sup>9</sup> requiring members and those associated with members to attend continuing education classes on the operation of new technology will both promote just and equitable principles of trade and benefit investors. The proposed rule change will ensure that equity option and index option floor members, and their respective personnel, are trained on an ongoing basis to competently perform their duties using the latest technology employed by the Exchange. In this regard, the Exchange's efforts are consistent with the Securities Industry Continuing Education Program, which seeks to promote the protection of investors through periodic training of securities professionals.

Moreover, the Commission finds that mandating continuing education training for members and persons associated with members is consistent with the provisions of Section 6(c)(3)(B) of the Act,<sup>10</sup> which makes it the responsibility of an exchange to prescribe standards of training,

<sup>4</sup> The Phlx is also proposing to amend its minor rule plan to include the new advice.

<sup>5</sup> In a telephone conversation on March 19, 1999 between Cynthia Hoekstra, Counsel, Phlx, and Joseph Morra, Attorney, Division of Market Regulation, Commission, the Exchange explained the concept of a three-year running calendar basis as used in the Fine Schedule. The Exchange will impose sanctions on a three-year running cycle, by which a violation of the training requirements which occurs within three years of the first violation of the training requirements will be treated as a second occurrence, and any subsequent violation within three years of the previous violation of the training requirements will be subject to the next highest sanction specified in the Fine Schedule.

<sup>6</sup> 15 U.S.C. 78f.

<sup>7</sup> 15 U.S.C. 78f(b)(5).

<sup>8</sup> 15 U.S.C. 78f(c)(3)(B).

<sup>9</sup> 15 U.S.C. 78f(b)(5) requires, among other things, that the rules of an exchange be designed to promote just and equitable principles of trade and, in general, to protect investors and the public interest.

<sup>10</sup> 15 U.S.C. 78f(c)(3)(B).

experience, and competence for persons associated with self-regulatory organization members.

The Commission therefore finds good cause for approving the proposed rule change prior to the thirtieth day after the date of publication of notice of filing thereof in the **Federal Register**.<sup>11</sup>

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,<sup>12</sup> that the proposed rule change (SR-Phlx-99-06), be, and hereby is, approved.

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

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-7808 Filed 3-30-99; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

#### Aviation Proceedings, Agreements filed during the week ending March 19, 1999.

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

*Docket Number:* OST-99-5241.

*Date Filed:* March 15, 1999.

*Parties:* Members of the International Air Transport Association.

*Subject:*

PTC23 Europe-South Asian Subcontinent dated March 12, 1999  
Europe-South Asian Subcontinent Expedited Resolutions r1-r3  
Intended effective date: April 15, 1999.

*Docket Number:* OST-99-5388.

*Date Filed:* March 18, 1999.

*Parties:* Members of the International Air Transport Association.

*Subject:*

PTC2 EUR-AFR 0072 dated 26 February 1999 r1-r17.  
PTC2 EUR-AFR 0073 dated 26 February 1999 r18-r36  
PTC2 EUR-AFR 0074 dated 26 February 1999 r37-r54  
PTC2 EUR-AFR 0075 dated 26 February 1999 r55-r67  
PTC2 EUR-AFR 0076 dated 26 February 1999 r68-r79  
PTC2 EUR-AFR 0071 dated 26 February 1999 r80-r86

<sup>11</sup> In approving this rule, the Commission notes that it has also considered the proposed rule's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

<sup>15</sup> U.S.C. 78s(b)(2).

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

TC2 Europe-Africa Resolutions r1-r86 Minutes

PTC2 EUR-AFR 0066 dated 19

February 1999. Tables

PTC2 EUR-AFR Fares 0042 dated 2 March 1999.

PTC2 EUR-AFR Fares 0043 dated 2 March 1999.

PTC2 EUR-AFR Fares 0044 dated 2 March 1999.

PTC2 EUR-AFR Fares 0045 dated 2 March 1999.

PTC2 EUR-AFR Fares 0046 dated 2 March 1999.

Intended effective date: 1 May 1999.

**Dorothy W. Walker,**

*Federal Register Liaison.*

[FR Doc. 99-7896 Filed 3-30-99; 8:45 am]

BILLING CODE 4910-62-P

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

#### Notice of Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart Q During the Week Ending March 19, 1999

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-99-5288.

*Date Filed:* March 16, 1999.

*Due Date for Answers, Conforming Applications, or Motions To Modify Scope:* April 13, 1999.

*Description:* Application of Ozark Air Lines, Inc. pursuant to 49 U.S.C. Section 41102 and Subpart Q, applies for a certificate of public convenience and necessity to engage in interstate scheduled and charter air transportation of persons, property and mail between Columbia, Missouri, Chicago, Illinois and Dallas Texas.

*Docket Number:* OST-99-5385.

*Date Filed:* March 18, 1999.

*Due Date for Answers, Conforming Applications, or Motions To Modify Scope:* April 15, 1999.

*Description:* Application of Britannia Airways AB pursuant to 49 U.S.C.

Sections 41301 *et seq.* and Subpart Q, applies for a foreign air carrier permit authorizing it to engage in charter foreign air transportation of persons and their accompanying baggage, and property; (1) between a point or points in Sweden, Denmark and Norway and a point or points in the United States; (2) between a point or points in the United States and any point or points in a third country provided that such service constitutes part of a continuous operation that includes service to Sweden, Denmark and/or Norway for the purpose of carrying local traffic between Sweden, Denmark and Norway and the United States; and also authorizing the applicant to engage in other charter trips in foreign air transportation subject to the terms, conditions, and limitation of the Department's regulations governing charters.

**Dorothy W. Walker,**

*Federal Register Liaison.*

[FR Doc. 99-7897 Filed 3-30-99; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### The Federal Aviation Administration (FAA) Satellite Operational Implementation Team (SOIT) Hosted Forum on the Capabilities of the Global Positioning System (GPS)/Wide Area Augmentation System (WAAS) and Local Area Augmentation System (LAAS)

**AGENCY:** Federal Aviation Administration, Department of Transportation.

**ACTION:** Notice of meeting.

**NAME:** FAA SOIT Forum on GPS/WAAS/LAAS Capabilities.

**TIME AND DATE:** 9:00 a.m.-5:00 p.m., May 17-18, 1999.

**PLACE:** The Holiday Inn Fair Oaks Hotel, 11787 Lee Jackson Memorial Highway, Fairfax, Virginia 22033.

**STATUS:** Open to the aviation industry with attendance limited to space available.

**PURPOSE:** The FAA SOIT will be hosting a public forum to discuss the FAA's GPS approval and WAAS/LAAS operational implementation plans. This meeting will be held in conjunction with a regularly scheduled meeting of the FAA SOIT and in response to aviation industry requests to the FAA Administrator. Formal presentations by the FAA will be followed by a question and answer session. Those planning to