

or otherwise in furtherance of the purposes of the Act.<sup>9</sup>

#### 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 NASD. All submissions should refer to file No. SR-NASD-99-38 and should be submitted by October 12, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>10</sup>

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

[FR Doc. 99-24350 Filed 9-16-99; 8:45 am]

BILLING CODE 8010-01-M

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-41849; File No. SR-PCX-99-29]

#### Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Pacific Exchange, Inc. Regarding the Extension of the Pilot Program Eliminating Position and Exercise Limits in FLEX Equity Options

September 9, 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 August 13, 1999, the Pacific Exchange, Inc. ("PCX" or "Exchange") filed with the

Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the PCX. The Exchange has designated the proposed rule change as constituting a "non-controversial" rule change under paragraph (f)(6) of Rule 19b-4 under the Act<sup>3</sup> which renders the proposal effective upon receipt of this filing by the Commission.<sup>4</sup> The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons and to accelerate the operative date of the proposed rule change.

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

The PCX proposes a three month extension of the pilot program, set to expire on September 9, 1999, relating to the elimination of position and exercise limits for FLEX Equity options. The Exchange proposes that the three month extension expire on December 9, 1999.

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.

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

##### 1. Purpose

On February 14, 1996, the Commission approved the Exchange's

<sup>3</sup> 17 CFR 240.19b-4(f)(6).

<sup>4</sup> The Exchange has represented that the proposed rule change: (i) will not significantly affect the protection of investors or the public interest; (ii) will not impose any significant burden on competition; and (iii) will not become operative for 30 days after the date of this filing, unless otherwise accelerated by the Commission. The Commission is waiving the minimum five business day notice requirement as permitted by Rule 19b-4(f)(6) under the Act. *Id.* The Commission notes that the Exchange has requested that the Commission accelerate the operative date of the rule change to permit uninterrupted operation of the pilot program.

proposal to trade FLEX Equity options on specified equity securities.<sup>5</sup> On September 9, 1997, the Commission approved the Exchange's proposal to eliminate position and exercise limits for FLEX Equity options pursuant to a two-year pilot program.<sup>6</sup> Under the two-year pilot program, position and exercise limits for FLEX Equity options pursuant to PCX Rules 8.107 and 8.108 were eliminated. The current pilot program expires on September 9, 1999. The Exchange proposes a three month extension of the current pilot program to expire on December 9, 1999. The Exchange requests the extension to be able to complete a report required pursuant to the original approval order for the two-year pilot program.<sup>7</sup>

##### 2. Statutory Basis

The Exchange believes that this proposed rule change is consistent with Section 6(b)<sup>8</sup> of the Act in general and furthers the objectives of Section 6(b)(5)<sup>9</sup> in particular in that it is designed to facilitate transactions in securities, promote just and equitable principles of trade, and protect investors and the public interest.

#### 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

The Exchange 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

This proposed rule filing has been filed by the Exchange as a "non-controversial" rule change pursuant to Section 19(b)(3)(A)(i) of the Act<sup>10</sup> and subparagraph (f)(6) of Rule 19b-4

<sup>5</sup> Securities Exchange Act Release No. 36841 (February 14, 1996), 61 FR 6666 (February 21, 1996).

<sup>6</sup> Securities Exchange Act Release No. 39032 (September 9, 1997), 62 FR 48683 (September 16, 1997).

<sup>7</sup> Under the current pilot program, the Exchange was required to submit a status report eighteen months following the commencement of the program. Although the PCX has not submitted such report, it intends to do so within the proposed three month extension period.

<sup>8</sup> 15 U.S.C. 78f(b).

<sup>9</sup> 15 U.S.C. 78f(b)(5).

<sup>10</sup> 15 U.S.C. 78s(b)(3)(A)(i).

<sup>9</sup> In reviewing this proposal, the Commission has considered the proposal's impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

<sup>10</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.

thereunder.<sup>11</sup> Because the foregoing proposed rule change: (1) Does not significantly affect the protection of investors or the public interest, (2) does not impose any significant burden on competition, (3) by its terms does not become operative for 30 days after the date of filing, or such shorter time as the Commission may designate, and because (4) the Commission is waiving the required written notice of intent to file the proposed rule change at least five days prior to the filing date, it has become effective for a pilot period until December 9, 1999, pursuant to Section 19(b)(3)(A) of the Act<sup>12</sup> and Rule 19b-4(f)(6) thereunder.<sup>13</sup>

The Commission has determined, consistent with the protection of investors and the public interest, to make the proposed rule change operative upon filing, pursuant to Section 19(b)(3)(A) of the Act<sup>14</sup> and Rule 19b-4(f)(6)(iii).<sup>15</sup> Under Rule 19b-4(f)(6)(iii), a proposed "non-controversial" rule change does not become operative for 30 days after the date of filing, unless the Commission designates a shorter time.<sup>16</sup> The Commission believes that because the two-year pilot program is scheduled to expire on September 9, 1999, and the three month extension is based on the same terms and conditions of the original pilot, it is consistent with the protection of investors and the public interest to make the proposed rule change operative upon filing.

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 the furtherance of the purposes of the Act.<sup>17</sup>

#### IV. Solicitation of Comments

Interested persons are invited to submit written data, views and arguments concerning the foregoing, including whether the proposed rule 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. 20549-0609. Copies of 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, 450 Fifth Street, N.W., Washington, D.C. 20549. 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 number SR-PCX-99-29 and should be submitted by October 12, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>18</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-24353 Filed 9-17-99; 8:45 am]

BILLING CODE 8010-01-M

## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

#### Aviation Proceedings, Agreements Filed During the Week Ending September 10, 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-99-6203

*Date Filed:* September 7, 1999

*Parties:* Members of the International Air Transport Association

*Subject:*

PT3 0353 dated 7 September 1999

Mail Vote 029—Resolution 010c

TC3 Special Passenger Amending Resolution

Intended effective date: 15 September 1999.

**Dorothy W. Walker,**

*Federal Register Liaison.*

[FR Doc. 99-24407 Filed 9-17-99; 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 September 10, 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-99-6208.

*Date Filed:* September 7, 1999.

*Due Date for Answers, Conforming Applications, or Motions to Modify Scope:* October 5, 1999.

*Description:* Application of United Air Lines, Inc. pursuant to 49 U.S.C. 41101 and Subpart Q, applies for an amendment to its Certificate of Public Convenience and Necessity for Route 624 authorizing United to provide scheduled foreign air transportation of persons, property and mail between any point or points in the United States, directly and via any intermediate point or points, and any point or points in Italy, and beyond Italy to any point or points in third countries.

*Docket Number:* OST-99-6211.

*Date Filed:* September 8, 1999.

*Due Date for Answers, Conforming Applications, or Motions to Modify Scope:* October 6, 1999.

*Description:* Amendment No. 6 of Malaysia Airlines (MAS) pursuant to 49 U.S.C. 41302, Part 211 and Subpart Q, hereby amends its Foreign Air Carrier Permit application to include all of the route authority made available to Malaysia pursuant to the terms of the Air Transport Agreement between the Government of the United States and the Government of Malaysia.

*Docket Number:* OST-99-6221.

*Date Filed:* September 10, 1999.

*Due Date for Answers, Conforming Applications, or Motions to Modify Scope:* October 8, 1999.

*Description:* Application of Ameristar Air Cargo, Inc. pursuant to 49 U.S.C. Section 41102, Parts 201 and 204, and Subpart Q, applies for a certificate of

<sup>11</sup> 17 CFR 240.19b-4(f)(6).

<sup>12</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>13</sup> 17 CFR 240.19b-4(f)(6).

<sup>14</sup> 15 U.S.C. 78s(b)(3)(A).

<sup>15</sup> 17 CFR 240.19b-4(f)(6)(iii).

<sup>16</sup> *Id.*

<sup>17</sup> 15 U.S.C. 78s(b)(3)(C).

<sup>18</sup> 17 CFR 200.30-3(a)(12).