

requires the specialist to preserve such records in accordance with Rule 17a-4.

With no hard copy tickets recording order receipt and execution time data, floor brokers and specialists on the Equity Floor could be in violation of Advice E-5 and Rule 206 each time an order is received and executed on PACE. Without the DARTS printer tickets, specialists would be in violation of Rule 216 if they did not retain the DARTS printer tickets. Therefore, as a matter of practicality, it is necessary to eliminate the hard copy recording and document maintenance requirements for trades for which no hard copy ticket is generated. As stated above, the information that is produced by the DARTS printer will be maintained electronically for the appropriate time periods mandated by the books and requirements of the Commission. The removal of the hard copy tickets will improve trade-processing efficiencies and reduce the amount of paper that is used on the trading floor.

In addition, the proposed change to Advice E-5 would require specialists to record the time of receipt of hand-held orders to be placed on the specialist's book on the front of the ticket in accordance with Phlx Rule 206.⁸ The fine schedule for violations of Advice E-5 has not been updated for ten years and will be increased to better reflect the seriousness of the violation.

Statutory Basis

For these reasons, the Exchange believes that the proposal to amend Advice E-5 and Phlx Rules 206 and 216 is consistent with Section 6 of the Act,⁹ in general, and with Section 6(b)(5),¹⁰ in particular, in that it is designed to remove impediments to and perfect the mechanism of a free and open market. In addition, these changes will eliminate equipment that will not be Year 2000 compliant, thereby protecting investors and the public interest.

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

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

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, 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 in Washington, DC. Copies of such filing will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR-Phlx-99-38 and should be submitted by December 15, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹¹

[FR Doc. 99-30585 Filed 11-23-99; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-42143; File No. SR-Phlx-99-22]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Deleting Rules Adopted When Phlx Dell Options were Traded on Amex Technology

November 16, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"),¹ and Rule 19b-4 thereunder,² notice is hereby given that on November 9, 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, II, and III below, which Items have been prepared by the self-regulatory organization. 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,³ rendering the proposal effective upon receipt of this filing by the Commission.⁴ 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 Phlx proposes to delete the following rules related to using American Stock Exchange LLC ("Amex") technology for the trading of Phlx Dell options: Rule 1051, Commentary .01; Rule 1052, Commentary .01; Rule 1053, Commentary .01; and Rule 1054, Commentary .01. The Exchange also proposes to modify Rule 1080, Commentary .03 to refer to Phlx options that were traded using Amex technology.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ 17 CFR 240.19b-4(f)(6).

⁴ 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 Exchange also has provided at least five business days notice to the Commission of its intent to file this proposed rule change, as required by Rule 19b-4(f)(6) under the Act. *Id.*

⁸ See Amendment No. 1, *supra* note 3.

⁹ 15 U.S.C. 78f.

¹⁰ 15 U.S.C. 78f(b)(5).

¹¹ 17 CFR 200.30-3(a)(12).

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 Phlx 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 Phlx 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

The purpose of the proposed rule change is to delete rules adopted when Phlx Dell options traded on Amex systems. The Amex rules are no longer necessary as Phlx is using its own system for trading all of its options, including Dell.

a. Background

On June 12, 1998, the Phlx received Commission approval to relocate Phlx Dell options to the Amex trading floor on a temporary basis.⁵ The relocation was for a six-month period expiring December 12, 1998. Subsequently, Phlx Dell options returned to the Phlx trading floor, operating on Amex technology, on December 7, 1998.⁶

During this time, the Exchange continued and still continues to implement technological improvements to its AUTOM⁷ System, such as upgrading the features of its electronic limit order book, the X.Station.⁸ Specifically, the Exchange has implemented the X.Station on a floor-wide basis, which improved, among other things, cancellation order processing. The Phlx continues to believe that these improvements are benefiting AUTOM users.

Recently, the Exchange introduced the Floor Broker Order Entry System ("FBOE") which allows floor brokers to

electronically transmit customer orders, with the exception of all-or-none orders, stop and stop limit orders, to the specialist for placement on the X.Station electronic book.⁹ In addition, the Exchange intends to implement other system enhancements, in order to provide technologically current features to its customers. The Phlx also remains committed to continuing to address AUTOM users' concerns regarding the system. Further, the Exchange also implemented rules requiring floor members and their employees to participate in Exchange-sponsored training respecting new automation introduced to the trading floor in order to ensure floor personnel are well acquainted with the new automated systems and features.¹⁰

Using Amex technology for Phlx Dell options was a temporary measure that was approved by the Commission on a pilot basis for one year. As described above the Exchange has made significant technological strides, which should facilitate transactions in Phlx Dell options. On August 23, 1999, the Exchange returned to Phlx technology for Phlx Dell options.

b. Proposal

The Exchange therefore proposes to delete Commentary .01 to Rules 1051–1055 relating to Phlx Dell options trading on Amex technology because they are no longer applicable to the trading of Phlx Dell options. As discussed in the proposed rule change to utilize Amex technology on the Phlx trading floor for Phlx Dell options, Amex and Phlx have significant differences in options trade processing primarily because of the timing and method of submission of trade participant information. These differences are discussed in a prior proposed rule change.¹¹

Phlx rules 1051–1055 were modified to account for these differences in trade processing by Amex systems. First, the Exchange modified Rule 1051, General Comparison and Clearance Rule, by adding Commentary .01, which provides that Phlx Dell options utilizing Amex technology would result in the submission of some, but not all, trade information at the specialist's post, as clearing and detailed participant information would follow via the Intra-Day Comparison ("IDC") System. The Exchange now proposes that the commentary .01, be deleted from rule

1051. Thus, all Exchange options transactions shall be again reported at the time of execution to the Exchange for comparison of trade information at the specialist's post and all compared transactions shall be cleared through the Options Clearing Corporation ("OCC").

Second, Rule 1052 places responsibility on clearing member organizations to clear *Exchange* options transactions. The Phlx clarified in rule 1052 (and Rule 1051 as well) that Phlx Dell options trading on Amex technology are "Exchange" transactions for this purpose as well. This clarification is no longer necessary; therefore, the Exchange proposes that commentary .01 to Phlx Rule 1052 be deleted.

Phlx Rules 1053 (Filing of Trade Information), Commentary .01; 1054 (Verification of Contracts and Reconciliation of Uncompared Trades), commentary .01; and Rule 1055 (Reporting of Compared Trades to The Options Clearing Corporation), Commentary .01 were modified to account for the differences between the Amex and Phlx technology. Therefore, with the return to Phlx technology, such modifications to the rules are no longer necessary, as trade information will again be supplied or verified "at the time of execution." These rules also provide that such information should be in a form prescribed by the Exchange, and, respectively, in accordance with procedures established by the Exchange.

Lastly, in order to trade Phlx Dell options on Amex technology, the Phlx adopted Commentary .03 to Rule 1080, which limited the liability of Amex and its affiliates for any damages sustained by a member or member organization growing out of the use or enjoyment of such Amex technology. In addition, Commentary .03 prohibited members from copying, modifying, disclosing or damaging Amex technology. Because Amex technology will no longer be used for Phlx Dell options, the Exchange proposes to modify Rule 1080, Commentary .03 such that it refers back to when Phlx Dell options traded using the Amex system.

2. Statutory Basis

The Exchange represents that the proposed rule change is consistent with Section 6(b)¹² of the Act in general and furthers the objectives of Section 6(b)(5)¹³ in particular in that it is designed to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in regulating, clearing, settling,

⁵ See Securities Exchange Act Release No. 40088 (June 12, 1998), 63 FR 33426 (June 18, 1998) (SR-Phlx-98-25).

⁶ See Securities Exchange Act Release No. 40750 (December 4, 1998), 63 FR 69128 (December 15, 1998) (SR-Phlx-98-54).

⁷ The Phlx Automated Options Market (AUTOM) System is the Exchange's electronic order delivery system, which provides automatic entry and routing of option orders to the Exchange trading floor, pursuant to Phlx Rule 1080.

⁸ See, e.g., Securities Exchange Act Release No. 39972 (May 7, 1998), 63 FR 26666 (May 13, 1998) (SR-Phlx-98-20) (relating to enhancements to the X.Station).

⁹ See Securities Exchange Act Release No. 41524 (June 14, 1999), 64 FR 33127 (June 21, 1999) (SR-Phlx-99-11).

¹⁰ See Options Floor Procedure Advice F-30 and Phlx Rule 625.

¹¹ See *supra* note 6.

¹² 15 U.S.C. 78f(b).

¹³ 15 U.S.C. 78f(b)(5).

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 national market system, as well as to protect investors and the public interest by changing rules to reflect the processing of Phlx Dell options on Phlx technology.¹⁴

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

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

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 Act¹⁵ and subparagraph (f)(6) of rule 19b-4 thereunder.¹⁶ Consequently, 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; and (3) does not become operative until December 9, 1999, 30 days from November 9, 1999, the date on which it was filed, and the Exchange provided the Commission with written notice of its intent to file the proposed rule change at least five days prior to the filing date, it has become effective pursuant to Section 19(b)(3)(A) of the Act and rule 19b-4(f)(6) thereunder.

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. 20549-0609. 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 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 Phlx. All submissions should refer to File No. SR-Phlx-99-22 and should be submitted by December 15, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁷

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 99-30586 Filed 11-23-99; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[Public Notice # 3148]

Advisory Committee on Labor Diplomacy; Notice of Meeting

The Advisory Committee on Labor Diplomacy (ACLD) will hold a meeting from 9:30 a.m. to 4 p.m. on December 14, 1999, in Room 1105, US Department of State, 2201 C Street, NW, Washington, DC 20520. Committee Chairman Thomas Donahue, former President of the AFL-CIO, will chair the meeting.

The ACLD is comprised of prominent persons with expertise in the area of international labor policy and labor diplomacy. The ACLD will advise the Secretary of State and the President on the resources and policies necessary to implement labor diplomacy programs efficiently, effectively and in a manner that ensures US leadership before the international community in promoting the objectives and ideals of US labor policies now and in the 21st century. The ACLD will make recommendations on how to strengthen the Department of State's ability to respond to the many challenges facing the United States and the federal government in international

labor matters. These challenges include the protection of worker rights, the elimination of exploitative child labor, and the prevention of abusive working conditions.

The agenda for the December 14 meeting includes discussion of operational aspects of the State Department's labor diplomacy function and State Department policy as it relates to labor diplomacy.

Members of the public are welcome to attend the meeting as seating capacity allows. As access to the Department of State is controlled, persons wishing to attend the meeting must be pre-cleared by calling or faxing the following information, by close of business December 10, to ACLD Executive Secretary Mark Simonoff at (202) 647-4327 or fax (202) 647-0431 or email simonoff@state.gov; name; company or organization affiliation (if any); date of birth; and social security number. Pre-cleared persons should use the 23rd Street entrance to the State Department and have a driver's license with photo, a passport, a US Government ID or other valid photo identification.

Members of the public may, if they wish, submit a brief statement to the Committee in writing. Those wishing further information should contact Mr. Simonoff at the phone and fax numbers provided above.

Dated: November 18, 1999.

Leslie Gerson,

Acting Assistant Secretary, Bureau of Democracy, Human Rights and Labor, US Department of State.

[FR Doc. 99-30641 Filed 11-23-99; 8:45 am]

BILLING CODE 4710-18-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Summary Notice No. PE-99-39] NMS 11/19/99

Petitions for Exemption; Summary of Petitions Received; Dispositions of Petitions Issued

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of petitions for exemption received and of dispositions of prior petitions.

SUMMARY: Pursuant to FAA's rulemaking provisions governing the application, processing, and disposition of petitions for exemption (14 CFR Part 11), this notice contains a summary of certain petitions seeking relief from specified requirements of the Federal Aviation Regulations (14 CFR Chapter I),

¹⁴ In approving these rules, the Commission has considered the proposed rules' impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

¹⁵ 15 U.S.C. 78s(b)(3)(A)(i).

¹⁶ 17 CFR 240.19b-4(e)(6).

¹⁷ 17 CFR 200.30-3(a)(12).