

proposed rule change from interested persons.

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

The Exchange proposes to make permanent two Philadelphia Stock Exchange Automated Communication and Execution System ("PACE")³ pilot programs that were introduced with the advent of decimal pricing in the securities industry. The first PACE pilot program, which is found in Supplementary Material .07(c)(i) to Phlx Rule 229, consists of an automated price improvement feature that incorporates a percentage of the spread between the bid and the offer ("Price Improvement Pilot"). It has been in effect since January 30, 2001.⁴

The second PACE pilot program, which is found in Supplementary Material .05 and .07(c)(ii) to Phlx Rule 229, incorporates immediate execution of certain market orders through the Public Order Exposure System ("POES") and mandatory double-up/double-down price protection ("Order Execution/Price Protection Pilot"). It has been in effect since August 25, 2000.⁵

The Phlx is not making any changes to the Price Improvement Pilot or the Order Execution/Price Protection Pilot, with the exception of deleting language that indicates that they are pilot programs. Upon approval of the proposed rule change, the Price Improvement Pilot and the Order Execution/Price Protection Pilot will be permanent. The text of the proposed rule change is available at the Phlx and at the Commission.

³ PACE is the Phlx's automated order routing, delivery, execution and reporting system for equities.

⁴ The price improvement pilot program was established in SR-Phlx-2001-12. See Securities Exchange Act Release No. 43901 (January 30, 2001), 66 FR 8988 (February 5, 2001) (SR-Phlx-2001-12). It was extended several times, currently through April 15, 2002. See Securities Exchange Act Release Nos. 44672 (August 9, 2001), 66 FR 43285 (August 17, 2001) (SR-Phlx-2001-67); 45078 (November 19, 2001), 66 FR 59293 (November 27, 2001) (SR-Phlx-2001-101); and 45284 (January 15, 2002), 67 FR 3253 (January 23, 2002) (SR-Phlx-2002-01).

⁵ The order execution and price protection pilot program was established in SR-Phlx-00-08. See Securities Exchange Act Release No. 43206 (August 25, 2000), 65 FR 53250 (September 1, 2000). It was extended several times, currently through April 15, 2002. See Securities Exchange Act Release Nos. 44185 (April 16, 2001), 66 FR 20511 (April 23, 2001) (SR-Phlx-2001-20); 44818 (September 19, 2001), 66 FR 49240 (September 26, 2001) (SR-Phlx-2001-81); 45079 (November 19, 2001), 66 FR 59292 (November 27, 2001) (SR-Phlx-2001-102); and 45295 (January 16, 2002), 67 FR 3624 (January 24, 2002) (SR-Phlx-2002-03).

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 Phlx proposes to make permanent the Price Improvement Pilot and the Order Execution/Price Protection Pilot. No other changes are proposed to these pilot programs.

2. Statutory Basis

The Exchange believes the proposed rule change is consistent with Section 6 of the Act⁶ in general, and in particular, with Section 6(b)(5),⁷ in that it is designed to promote just and equitable principles of trade, to remove impediments to and perfect the mechanism of a free and open market and a national market system, and protect investors and the public interest by providing for automatic price improvement and automatic execution of certain market orders and mandatory double-up/double-down price protection for equities traded over the PACE system on a permanent basis.

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

The Phlx 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

No written comments were either solicited or 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 Exchange 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 filings will also be available for inspection and copying at the principal office of the Phlx. All submissions should refer to File No. SR-Phlx-2002-18 and should be submitted by April 12, 2002.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁸

Margaret H. McFarland,
Deputy Secretary.

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DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Aviation Proceedings, Agreements Filed During the Week Ending March 8, 2002

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

Docket Number: OST-2002-11783
Date Filed: March 6, 2002

⁶ 15 U.S.C. 78f.

⁷ 15 U.S.C. 78f(b)(5).

⁸ 17 CFR 200.30-3(a)(12).

Parties: Members of the International Air Transport Association

Subject:

PTC2 EUR-AFR 0146 dated 22 February 2002
TC2 Europe-Africa Expedited Resolutions r1-r6
PTC2 EUR-AFR 0147 dated 1 March 2002
TC2 Europe-Africa Resolutions r7-r47
Minutes—PTC2 EUR-AFR 0145 dated 22 February 2002
Tables—PTC2 EUR-AFR Fares 0094 dated 1 March 2002
Intended effective dates: 1 April 2002, 1 May 2002

Docket Number: OST-2002-11784

Date Filed: March 6, 2002

Parties: Members of the International Air Transport Association

Subject:

PTC2 AFR 0115 dated 19 February 2002
TC2 Within Africa Expedited Resolutions 015v, 017c
PTC2 AFR 0117 dated 26 February 2002
TC2 Within Africa Resolutions r3-r30
Minutes—PTC2 AFR 0116 dated 22 February 2002
Tables—PTC2 AFR Fares 0043 dated 1 March 2002
Intended effective dates: 1 April 2002, 1 May 2002

Docket Number: OST-2002-11793

Date Filed: March 7, 2002

Parties: Members of the International Air Transport Association

Subject:

PTC12 NMS-AFR 0129 dated 1 March 2002
TC12 South Atlantic-Africa Expedited Resolutions r1-r4
PTC12 NMS-AFR 0131 dated 1 March 2002
TC12 South Atlantic-Africa Resolution 002d r5
Intended effective dates: 15 April 2002, 30 April 2002

Docket Number: OST-2002-11794

Date Filed: March 7, 2002

Parties: Members of the International Air Transport Association

Subject:

PTC12 NMS-AFR 0128 dated 1 March 2002
North Atlantic-Africa Expedited Resolutions r1-r5
PTC12 NMS-AFR 0130 dated 1 March 2002
North Atlantic-Africa Expedited Resolutions 002a r6
Intended effective dates: 15 April 2002, 30 April 2002

Docket Number: OST-2002-11803

Date Filed: March 7, 2002

Parties: Members of the International Air Transport Association

Subject:

Mail Votes 203 and 204
PTC12 NMS-ME 0156 dated 6 February 2002
TC12 Mid Atlantic-Middle East Resolutions r1-r10
PTC12 NMS-ME 0157 dated 6 February 2002
TC12 South Atlantic-Middle East Resolutions r11-r20
PTC12 NMS-ME 0164 and 0165 dated 1 March 2002
Adoption of Mail Votes 203 and 204
Minutes—PTC12 NMS-ME 0160 dated 15 February 2002 filed with Docket OST 2002-11699
Tables—PTC12 NMS-Fares 0090 dated 5 March 2002
PTC12 NMS-Fares 0091 dated 5 March 2002
Intended effective dates: 1 April 2002

Andrea M. Jenkins,

Federal Register Liaison.

[FR Doc. 02-6965 Filed 3-21-02; 8:45 am]

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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 B (Formerly Subpart Q) During the Week Ending March 8, 2002

The following Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits were filed under Subpart B (formerly Subpart Q) of the Department of Transportation's Procedural Regulations (*See* 14 CFR 301.201 *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-1997-2911.

Date Filed: March 6, 2002.

Due Date for Answers, Conforming Applications, or Motion to Modify Scope: March 27, 2002.

Description: Application of United Air Lines, Inc., pursuant to 49 U.S.C. Sections 41102, 41108 and Subpart B, requesting renewal of its experimental certificate of public convenience and necessity for Route 747, to engage in scheduled foreign air transportation of persons, property, and mail between a point or points in the United States, the intermediate point Frankfurt, Germany, and the coterminal points Johannesburg

and Cape Town, South Africa, and beyond South Africa to Harare, Zimbabwe.

Andrea M. Jenkins,

Federal Register Liaison.

[FR Doc. 02-6966 Filed 3-21-02; 8:45 am]

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DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

[Docket No. FAA-2001-9854]

Notice of Alternative Policy Options for Managing Capacity at LaGuardia Airport and Proposed Extension of the Lottery Allocation; Notice of Comment Period Closing Date

AGENCY: Federal Aviation Administration (FAA), DOT.

ACTION: Notice of comment period closing date.

SUMMARY: This action establishes a new closing date for the comment period for Phase II of the notice "Alternative Policy Options for Managing Capacity at LaGuardia Airport and Proposed Extension of the Lottery Allocation." The FAA indefinitely suspended the closing date for the comment period for Phase II after the terrorist attacks on September 11, 2001.

ADDRESSES: Comments should be mailed or delivered in duplicate to: U.S. Department of Transportation Dockets, Docket No. FAA-2001-9854, 400 Seventh Street, SW, Room Plaza 401, Washington, DC 20590. Comments may also be sent electronically to the following Internet address: DMS.dot.gov. Comments may be filed and/or examined in Room Plaza 401 between 10:00 a.m. and 5:00 p.m. weekdays except Federal holidays.

FOR FURTHER INFORMATION CONTACT: Jeffrey C. Wharff, Senior Economist, Office of Aviation Policy and Plans, 800 Independence Avenue, SW, Washington, DC 20591; telephone number 202-267-7035.

Background

On June 12, 2001, the FAA published a notice in the **Federal Register** seeking comments on a proposed extension of the slot exemption lottery allocation (Phase I) and several demand management options for LaGuardia Airport (Phase II) (66 FR 31731). Specifically, with respect to Phase II, the FAA sought comments on the feasibility and effectiveness of five different demand management options that could be used to replace the current temporary administrative limits on the