

will have an opportunity to continue reviewing and evaluating the program before seeking permanent approval. In that regard, on May 29, 1997, the Exchange submitted a report to the Commission responding to particular questions set forth in the Pilot Approval Order. The Exchange believes that the program is operating successfully and without any problems, and on that basis, the Exchange believes that a one-year extension of the program is warranted. At this time, the Exchange is not seeking to modify the pilot program.

#### Basis

The Exchange believes that the proposal is consistent with Section 6(b) of the Act,<sup>7</sup> in general, and Section 6(b)(5),<sup>8</sup> in particular, in that it is designed to facilitate transactions in securities, to promote just and equitable principles of trade, and to 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*

Written comments on the proposed rule change were neither solicited nor received.

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

The Commission has closely reviewed the proposed LMM Book Pilot program and has concluded that it should be extended for another year. The Commission believes that the pilot program, whereby the approved LLMs manager the Book function, take responsibility for trading disputes and errors, set rates for Book execution, and pay the Exchange a fee for systems and services, is consistent with the Act and the rules and regulations thereunder. In particular, the Commission believes that the proposed rule change is consistent with Section 6(b)(5) of the Act<sup>9</sup> in that it is designed to promote just and equitable principles of trade, to facilitate transactions in securities, and to remove

impediments to and perfect the mechanism of a free and open market and a national market system, and, in general, to protect investors and the public interest.

As noted above, the LLM Book Pilot Program allows LLMs to have greater control over their operations on the Exchange floor, and the Commission agrees with the Exchange that a one-year extension of the program is warranted to allow the Exchange to continue its evaluation of the program.

The Commission 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 order to ensure that PCX officials have a continuous period to review and evaluate the program before seeking permanent approval. The LLM Book Pilot Program was first established on October 11, 1996 and, with a few modest changes, has been operating continuously since that date. Based on the representations made by the Exchange in its 1997 LLM Book Pilot Program report, the Commission concludes that the pilot program has contributed to the Exchange's ability to provide fair and orderly markets. Based on these findings, the Commission concurs that a one-year extension of the program is warranted. Because the pilot program is scheduled to expire October 12, 1997, the Commission believes it is appropriate to extend the pilot program before that date to allow the uninterrupted continuation of the program.

### IV. Solicitation of Comments

Interested person are invited to submit written data, views and arguments concerning the foregoing. 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 in the Commission's Public Reference Room, 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 No. SR-PCX-97-32 and should be submitted by October 21, 1997.

*It is therefore ordered*, pursuant to Section 19(b)(2)<sup>10</sup> of the act, that the proposed rule change is approved and, accordingly, the Lead Market Maker Book Pilot Program is extended until October 12, 1998.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.<sup>11</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 97-25795 Filed 9-29-97; 8:45 am]

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## OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

### Technical Corrections to the Harmonized Tariff Schedule of the United States

**AGENCY:** Office of the United States Trade Representative.

**ACTION:** Technical corrections to the Harmonized Tariff Schedule of the United States (HTSUS); effective date.

**SUMMARY:** The United States Trade Representative (USTR) is making technical corrections to the HTSUS, pursuant to authority granted to the President in section 604 of the Trade Act of 1974 and delegated by the President to the USTR in Proclamation 6969 (62 FR 4415). These modifications will correct errors in prior proclamations, so that the intended tariff treatment is accorded.

**ADDRESSES:** Office of the United States Trade Representative, 600 17th Street, NW, Washington, D.C. 20508.

**FOR FURTHER INFORMATION CONTACT:** Barbara Chatten, Director For Tariff Affairs, (202) 395-5097, or Catherine Field, Senior Counsel For Multilateral Affairs, (202) 395-3432.

**CORRECTION:** The HTS is modified as set forth below with respect to goods entered, or withdrawn from warehouse for consumption, on or after the effective dates specified for the enumerated actions.

BILLING CODE 3190-01-M

<sup>10</sup> 15 U.S.C. § 78s(b)(2).

<sup>11</sup> 17 CFR 200.30-3(a)(12).

<sup>7</sup> 15 U.S.C. § 78f(b).

<sup>8</sup> 15 U.S.C. § 78f(b)(5).

<sup>9</sup> *Id.*

1. Effective on January 1, 1994, the HTS is modified as follows:
- (a) the article description for subheading 2208.90.72 is modified by deleting "Mescal" and by inserting in lieu thereof "Mezcal"
2. Effective with respect to goods entered, or withdrawn from warehouse for consumption, on or after July 1, 1997, the following new provision is inserted in numerical sequence in subchapter II of chapter 99 of the HTS, with the new material inserted in the columns headed "Heading/Subheading", "Article Description", "Rates of Duty 1-General", "Rates of Duty 1-Special", "Rates of Duty 2", and "Effective Period", respectively:

"9902.84.77 : Automated multi-plunger transfer presses,	:	:	:	:
: suitable for use in the encapsulation with	:	:	:	:
: thermosetting materials of diodes,transistors,	:	:	:	:
: and similar semiconductor devices or electronic	:	:	:	:
: integrated circuits (provided for in subheading	:	:	:	:
: 8477.10.70).....	:	Free:	No change :	No change: On or
:	:	:	:	: before
:	:	:	:	: 12/31/2000"

Explanation of Correction: The action designated in section 1, would correct the misspelling in the article description of a tariff category created to implement a concession under the NAFTA, effective as of the date of entry into force of that agreement. The new tariff provision created in section 2 would correct the inadvertent deletion by Pres. Proclamation 7011 of a pre-existing temporary duty suspension on particular semiconductor machinery. Proclamation 7011 implemented the Information Technology Agreement (ITA) for the United States. Annex B to that Proclamation failed to continue a pre-existing duty suspension provision, since the goods covered by the duty suspension now fall in another provision of chapter 84. The duty suspension provision of chapter 99 must be amended accordingly to reflect the tariff subheading now applicable to these goods. The continuation of the duty suspension (which is scheduled to continue through the close of 2000) allows the subject products to continue to enter the customs territory free of duty, rather than to enter at the rates of duty (being reduced in stages) provided under the ITA.

**Frederick L. Montgomery,**

*Executive Secretary.*

[FR Doc. 97-25824 Filed 9-29-97; 8:45 am]

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## DEPARTMENT OF TRANSPORTATION

### Office of the Secretary

#### Foreign Air Carriers; Unfair and Deceptive Advertising; Enforcement Policy

**AGENCY:** Office of the Secretary (DOT).

**ACTION:** Notice.

**SUMMARY:** The Department's Office of Aviation Enforcement and Proceedings issues this notice to clarify its enforcement policy with regard to the advertising of service to or from the U.S. by foreign carriers. The notice advises foreign carriers that advertising service for which they lack the requisite economic authority from the Department violates the authority provisions of 49 U.S.C. § 41301 and is an unfair and deceptive practice under 49 U.S.C. § 41712 that may warrant enforcement action, even if the carrier has an application for such authority pending before the Department.

**FOR FURTHER INFORMATION CONTACT:** Nicholas Lowry, Office of Aviation Enforcement and Proceedings, U.S. Department of Transportation, 400 7th

St. SW., Washington, DC 20590. Tel. No. (202) 366-9349.

#### United States of America, Department of Transportation, Office of the Secretary, Washington, D.C.

##### *Advertising of Scheduled Service in Foreign Air Transportation—Use of the Notation “Subject to Government Approval”*

#### Notice

During a recent investigation, it came to the attention of the Office of Aviation Enforcement and Proceedings (AEP) that some foreign air carriers may be holding out service from the U.S. to foreign points for which they lack U.S. economic authority under 49 U.S.C. § 41301. The issue arose in connection with listings by a foreign carrier on the internet and in the Official Airline Guide (OAG) which related to service that was the subject of its application for authority. The application was pending at the time the advertisements appeared. The carrier included with the listings in question a statement that the service was “subject to government approval,” to indicate that the service was contingent on receiving Department approval and might not be provided. It also stated to AEP that it accepted no reservations for the service in the U.S. We asked the carrier to remove the listings in question and it agreed. Since similar practices may be widespread, we believe it appropriate to disseminate AEP's policy on matters of this kind to all foreign carriers operating or planning to operate from the U.S.

AEP has in the past applied and will continue to apply the same standards to the advertisement of proposed service by foreign carriers as it currently applies under Department regulations to U.S. applicants for certificate authority. Section 201.5 of the Department's rules (14 CFR 201.5) provides that U.S. applicants for certificate authority may not “advertise, list schedules or accept reservations” or “accept payment or issue tickets” for their proposed service until the relevant application has been approved by the Department.<sup>1</sup> Although section 201.5 is specifically limited to U.S. applicants for air carrier authority, we will continue our practice of following a consistent policy in

<sup>1</sup> Section 201.5 further prohibits issuance of tickets or acceptance of payment for a carrier's proposed service until its authority has become effective or the Department specifically authorizes sales. Under the rule, after Department approval but prior to receipt of effective authority, a carrier may advertise, take reservations and publish schedules (but not accept payment), provided such advertising or schedules prominently state the following: “This service is subject to receipt of government operating authority.”

evaluating the advertisements and schedule listings of foreign air carriers. We will therefore consider it an unfair and deceptive practice and an unfair method of competition within the meaning of 49 U.S.C. § 41712, as well as a violation of the authority provisions of 49 U.S.C. § 41301, for a foreign air carrier to hold out service in the U.S. for which it does not have all requisite authorizations from the Department at the time of the holding out.

By the term “*holding out*,” we refer to listing or advertising service in any medium reasonably likely to reach the U.S. public, such as computer reservations systems (CRSs), the internet, or published media, such as the Official Airline Guide. Clearly, if the appropriate authority is the subject of an application pending with the Department, the service may not be listed or advertised. A note stating that the listed service is “subject to government approval” where an application is pending within the Department is not sufficient to avoid a violation of 49 U.S.C. § 41712 and § 41301. Moreover, a violation is not avoided by refusing to take reservations or accept payment for tickets. On the other hand, a carrier may hold out service with a notation that service is “subject to government approval” if the carrier has the requisite U.S. authority but is awaiting *approvals from foreign governments only* for the service advertised.

Questions regarding this notice may be addressed to the Office of Aviation Enforcement and Proceedings, C-70, 400 7th St., S.W., Washington, D.C. 20590. A copy of this notice will be published in the **Federal Register**.

Dated: September 24, 1997.

By:

**Samuel Podberesky,**

*Assistant General Counsel for Aviation Enforcement and Proceedings.*

An electronic version of this document is available on the World Wide Web at <http://www.dot.gov>.

[FR Doc. 97-25903 Filed 9-29-97; 8:45 am]

BILLING CODE 4910-62-P

## DEPARTMENT OF TRANSPORTATION

### Federal Aviation Administration

#### Notice of Intent To Request Renewal From the Office of Management and Budget (OMB) of Current Public Collections of Information

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

**ACTION:** Notice.