

earn additional fee credits for three months based upon monthly trading volume at the specialist post taken over.

The proposed schedule is set forth below. These fee credits are intended to serve as incentives for specialist firms to

bring new equity order flow to the Exchange.

Monthly post trading volume	Post fee credit		Est'd effective monthly post fee
	Percent	Amount	
4 million shares or more	85	\$6,230	\$1,100
3 to less than 4 million shares	50	3,665	3,665
2 to less than 3 million shares	25	1,830	5,500
Less than 2 million shares	0	0	7,330

Fourth, a specialist firm is eligible to earn the fee credits provided above for three trade months. Fifth, if a specialist firm begins operating a specialist post under the Program during the course of a trade month, the Exchange will stagger the issuance of part of the fee waiver until after the passage of time in which fee credits may be earned. This will allow the Exchange to avoid crediting a specialist firm an amount that exceeds its fixed fees during any given trade month. Thus, for example, if a firm begins operating a post on February 15, the prorated fixed fees for February (*i.e.*, from February 15 to the end of February) will be waived, as will the fixed fees for March and April. The firm will then be eligible to earn fee credits during the months of May, June and July. Then, in August, the Exchange will provide a fee waiver equal to the amount not previously waived in February (*i.e.*, the portion equal to the fees for the first half of February). Finally, once a specialist firm has participated in the Program for six full months, the Exchange will no longer apply fee waivers and fee credits, and the specialist firm will be subject to regular specialist post fees for the post taken over.

Basis

The proposal is consistent with Section 6(b) of the Act⁴ in general, and Section 6(b)(4),⁵ in particular, in that it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among members.⁶

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

The foregoing rule change has become effective immediately pursuant to Section 19(b)(3)(A)(ii)⁷ of the Act and subparagraph (e)(2) of Rule 19b-4 thereunder⁸ because it constitute or changes a due, fee, or other charge imposed by the Exchange. At any time within 60 days of the filing of such 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.⁹

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. 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-98-11 and should be submitted by April 9, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁰

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-7068 Filed 3-18-98; 8:45 am]

BILLING CODE 8010-01-M

DEPARTMENT OF STATE

[Public Notice No. 2760]

Office of Defense Trade Controls; Notifications to the Congress of Proposed Commercial Export Licenses

AGENCY: Department of State.

ACTION: Notice.

SUMMARY: Notice is hereby given that the Department of State has forwarded the attached Notifications of Proposed Export Licenses to the Congress on the dates shown on the attachments pursuant to section 36(c) and in compliance with section 36(e) of the Arms Export Control Act (22 U.S.C. 2776).

EFFECTIVE DATE: As shown on each of the six letters.

FOR FURTHER INFORMATION CONTACT: Mr. William J. Lowell, Director, Office of Defense Trade Controls, Bureau of Political-Military Affairs, Department of State (703) 875-6644.

SUPPLEMENTARY INFORMATION: Section 38(e) of the Arms Export Control Act mandates that notifications to the Congress pursuant to section 36(c) must

⁴ 15 U.S.C. 78f(b).

⁵ 15 U.S.C. 78f(b)(4).

⁶ The Commission notes that the filing may raise questions concerning payment for order flow. To the extent that it does raise such issues, exchange members should consider any associated disclosure obligations, namely pursuant to Rules 10b-10 and 11Ac1-3 under the Act, 17 CFR 240.10b-10 and 17 CFR 240.11Ac1-3, respectively.

⁷ 15 U.S.C. 78s(b)(3)(A)(ii).

⁸ 17 CFR 240.19b-4(e)(2).

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

¹⁰ 17 CFR 200.30-3(a)(12).

be published in the **Federal Register** when they are transmitted to Congress or as soon thereafter as practicable.

Dated: March 3, 1998.

William J. Lowell,

Director, Office of Defense Trade Controls.

BILLING CODE 4710-25-M



United States Department of State

Washington, D.C. 20520

FEB 24 1998

Dear Mr. Speaker:

Pursuant to section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed license for the export of defense articles or defense services sold under a contract in the amount of \$50,000,000 and or more.

The transaction described in the attached certification involves a technical assistance agreement with the Republic of Korea to support intermediate level maintenance training for the AN/ALQ-165 Airborne Self Protection Jammer line replacement units and system replacement units.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

A handwritten signature in cursive script that reads "Barbara Larkin".

Barbara Larkin
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DTC-9-98

The Honorable
Newt Gingrich,
Speaker of the House of Representatives.



United States Department of State

Washington, D.C. 20520

FEB 24 1998

Dear Mr. Speaker:

Pursuant to section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed license for the export of defense articles or defense services sold under a contract in the amount of \$50,000,000 or more.

The transaction described in the attached certification involves a technical assistance agreement with Germany to support development and production of imaging infra-red seekers for the Kinetic Energy Penetration Destroyer (KEPD) 350 Taurus air-to-ground cruise missile program.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

A handwritten signature in cursive script that reads "Barbara Larkin".

Barbara Larkin
Assistant Secretary

Legislative Affairs

Enclosure:

Transmittal No. DTC-10-98

The Honorable
Newt Gingrich,
Speaker of the House of Representatives.



United States Department of State

Washington, D.C. 20520

FEB 24 1998

Dear Mr. Speaker:

Pursuant to section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount \$50,000,000 or more.

The transaction contained in the attached certification involves the export of the Sentry-based Air Defense System to the Republic of Korea (ROK) for end-use by the ROK Air Force.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

A handwritten signature in cursive script, reading "Barbara Larkin".

Barbara Larkin
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DTC-11-98

The Honorable

Newt Gingrich,

Speaker of the House of Representatives.



United States Department of State

Washington, D.C. 20520

FEB 24 1998

Dear Mr. Speaker:

Pursuant to section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves the export of technical data, defense services and hardware for support of the Reconnaissance Airborne Pod for the Tornado (RAPTOR) Program for the Royal Air Force in the United Kingdom.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

A handwritten signature in cursive script, reading "Barbara Larkin".

Barbara Larkin
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DTC-13-98

The Honorable

Newt Gingrich,

Speaker of the House of Representatives.



United States Department of State

Washington, D.C. 20520

FEB 24 1998

Dear Mr. Speaker:

Pursuant to section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed export of defense articles or defense services sold under a contract in the amount of \$50,000,000.

The transaction described in the attached certification involves the export of defense services and equipment for a Structural Life Extension Program upgrade of the Philippine Air Force's fleet of F-5A/B aircraft.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

A handwritten signature in cursive script, reading "Barbara Larkin".

Barbara Larkin
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DTC-14-98

The Honorable
Newt Gingrich,
Speaker of the House of Representatives.



United States Department of State

Washington, D.C. 20520

FEB 24 1998

Dear Mr. Speaker:

Pursuant to section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed export of defense articles or defense services sold under a contract in the amount of \$50,000,000.

The transaction described in the attached certification involves the transfer of technical data and assistance for the development and deployment of a littoral water surveillance system for end use by the Republic of Korea Navy.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

A handwritten signature in cursive script that reads "Barbara Larkin".

Barbara Larkin
Assistant Secretary
Legislative Affairs

Enclosure:

Transmittal No. DTC-15-98

The Honorable
Newt Gingrich,
Speaker of the House of Representatives.