

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-39954; File No. SR-MBSCC-98-2]

Self-Regulatory Organizations; MBS Clearing Corporation; Notice of Filing and Immediate Effectiveness of Proposed Rule Change Modifying MBS Clearing Corporation's Schedule of Charges for the Dealer Account Group

May 4, 1998.

Pursuant to Section 19(b)(1) ¹ of the Securities Exchange Act of 1934 ("Act"), notice is hereby given that on April 10, 1998, the MBS Clearing Corporation ("MBSCC") 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 primarily by MBSCC. The Commission is publishing this notice to solicit comments from interested persons on the proposed rule change.

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

The proposed rule change modifies MBSCC's schedule of charges for the dealer account group.²

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

In its filing with the Commission, MBSCC 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. MBSCC has prepared summaries, set forth in sections (A), (B), and (C) below, of the most significant aspects of such statements.³

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

The proposed rule change modifies MBSCC's schedule of charges for the dealer account group. Specifically, the proposed rule change reduces account maintenance fees, currently at \$350 per month for each account, for participants that use a common investment manager to process trades with MBSCC.

The new account maintenance fee for a participant that uses a common investment manager to process trades with MBSCC is based on the total number of accounts a participant maintains with an investment manager. The new monthly account maintenance fees are \$350 for one account, \$185 per account for two or three accounts, \$150 per account for four to seven accounts, \$130 per account for eight to ten accounts, and \$120 per month for more than ten accounts.

The reduced account maintenance fees reflect efficiencies obtained by using a common investment manager to process trades with MBSCC such as reduced communications costs, systems overhead, and support services that result in savings to MBSCC. MBSCC will implement these changes commencing with its May 1998 billing cycle.

MBSCC believes the proposed rule change is consistent with the requirements of Section 17A of the Act ⁴ and the rules and regulations thereunder because it provides for the equitable allocation of dues, fees, and other charges among MBSCC's participants.

(B) Self-Regulatory Organization's Statement on Burden on Competition

MBSCC does not believe that the proposed rule change will impact or impose a 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 have been solicited or received. MBSCC will notify the Commission of any written comments received by MBSCC.

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change has become effective pursuant to Section 19(b)(3)(A)(ii) ⁵ of the Act and pursuant to Rule 19b-4(e)(2) ⁶ promulgated thereunder in that the proposed rule change establishes or changes a due, fee, or other charge imposed by the self-regulatory organization. At any time within sixty days of the filing of such rule change, the Commission may summarily abrogate such proposed 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, NW., Washington, DC 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 Section, 450 Fifth Street, NW., Washington, DC 20549. Copies of such filing also will be available for inspection and copying at the principal office of MBSCC. All submissions should refer to File No. SR-MBSCC-98-02 and should be submitted by June 1, 1998.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.⁷

Margaret H. McFarland,
Deputy Secretary.

[FR Doc. 98-12349 Filed 5-8-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-39945; File No. SR-PCX-98-08]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Pacific Exchange, Inc., Relating to Assessment for New Facilities

May 1, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act") ¹ and Rule 19b-4 thereunder,² on February 9, 1998, the Pacific Exchange, Inc. ("PCX" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") a proposed rule change SR-PCX-98-08. The proposed rule change is described

¹ 15 U.S.C. 78s(b)(1).

² MBSCC has separate fee schedules for brokers and dealers. The dealer account group is the fee schedule for dealers' accounts.

³ The Commission has modified the text of the summaries prepared by MBSCC.

⁴ 15 U.S.C. 78q-1.

⁵ 15 U.S.C. 78s(b)(3)(A)(ii).

⁶ 17 CFR 240.19b-4(e)(2).

⁷ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

in Items I, II and III below, which Items have been prepared by the self-regulatory organization. The proposed rule change was originally submitted by the Exchange with a request for Commission action pursuant to Section 19(b)(2) of the Act.³ The proposed rule change was published for comment in the **Federal Register** on March 11, 1998.⁴ No comments were received on the proposal.

During the initial comment period for the proposal, on March 19, 1998, the Exchange filed a letter amendment, Amendment No. 1 to the filing,⁵ which requested that the Commission act upon the filing pursuant to its authority under Section 19(b)(3)(A) of the Act and subparagraph (e) of Rule 19b-4 thereunder,⁶ because the filing establishes a due, fee, or other charge of the Exchange, in accordance with Section 19(b)(3)(A) of the Act and subparagraph (3) of Rule 19b-4 thereunder, the proposed rule change became immediately effective upon the Exchange's filing of Amendment No. 1. The Commission is therefore publishing this release to provide public notice of Amendment No. 1 to File No. SR-PCX-98-08 and the immediate effectiveness of the proposed rule change.

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

The PCX is proposing to assess the owners of each of the 552 Exchange memberships in order to provide an equity base for financing land and new facilities for the Exchange. These facilities will include new trading floors, technology facilities, office space and equipment.

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 self-regulatory organization 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 self-regulatory organization 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 Exchange is proposing to assess the owners of each of its 552 memberships \$36,000, to be paid by each membership owner in monthly installments of \$1,000. The installments are payable on a monthly basis and may not be paid in advance. The purpose of the assessment is to provide an equity base to finance land and facilities to house the Exchange's new trading floors, technology facilities, associated office space and equipment. The Exchange intends to treat funds from the assessment as a contribution to capital that will be segregated from PCX operating funds.

The Exchange expects that the cost of the facilities will greatly exceed the amount to be raised by this assessment. In that regard, the Exchange intends to arrange additional financing for its new facilities. The amount raised by the assessment will serve as an equity base that will aid in the process of obtaining additional financing.

The Exchange's new facilities will consolidate the Exchange's San Francisco administrative and operational facilities into a single location, will include a larger options trading floor and an appropriately designed equities trading facility that will better serve the trading of equity securities and option contracts, and will provide office space for members and member organizations, including clearing firms. The need for new facilities is based upon the Exchange's current growth rate and its need to provide effective services to its membership. The move will also allow the Exchange to increase the operational efficiency and improve the services it provides to the investing public.

The Exchange recognizes that the current industry trend towards electronic trading will affect the Exchange's future needs for trading floor space, particularly in the trading of equity securities. But with regard to the trading of options contracts, the Exchange believes that it will still need a significantly larger trading floor because the Exchange anticipates that electronic options trading will operate in tandem with the current open outcry floor market. The Exchange also notes that its need to move to new facilities is due in part to the continuing growth of its options business in recent years. The move will also fulfill the Exchange's need to operate in facilities with enhanced emergency power and

business recovery systems. The Exchange notes that it previously imposed an assessment on its membership in 1988 and 1984.⁷

The Exchange is currently studying ways in which it might provide future benefits (such as a rebate of the proposed assessment, if permitted in the future by financial circumstances) to the seat holders who pay some or all of the assessment. The Exchange will also require PCX seat owners and their lessees, if any, to specify in an addendum to their leases whether rent under those leases will be increased to reflect the assessment and whether any potential benefits ultimately returned to seat owners with respect to the assessment will, in turn, be paid of transferred by the seat owner to the lessee.

2. Statutory Basis

The proposal is consistent with Section 6(b)⁸ of the Act, in general, and Section 6(b)(4),⁹ in particular, in that it provides for the equitable allocation of reasonable dues, fees or other charges among its members.

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.¹⁰

⁷ In 1988, the Exchange imposed an interim monthly assessment on each of its 551 regular memberships, consisting of two parts: a flat fee of \$600 per month and supplemental activity charge, applied differently for Equities and Options Members, averaging \$600 per month per Member. The assessment was imposed in order for the Exchange to meet its operational, technology, and facilities needs. See Securities Exchange Act Release No. 25617 (April 26, 1988), 53 FR 15761 (May 3, 1988). In 1984, the Exchange imposed a special fee of \$6,000 on the 503 memberships outstanding as of December 15, 1983, for an aggregate assessment of approximately \$3 million. The purpose of the assessment was to raise financing for contemplated facilities improvements to the Los Angeles and San Francisco Equity Floors and the San Francisco Options Floor. See Securities Exchange Act Release No. 20550 (January 11, 1984), 49 FR 2178 (January 18, 1984) [order approving File No. SR-PSE-83-24, which was submitted pursuant to Section 19(b)(3)(A) of the Exchange Act].

⁸ 15 U.S.C. 78f(b).

⁹ 15 U.S.C. 78f(b)(4).

¹⁰ The Commission notes that, although the Exchange did not formally request comments on the rule filing from members, it did hold a series of meetings to apprise members of the proposed

³ 15 U.S.C. 78s(b).

⁴ Securities Exchange Act Release No. 39719 (March 4, 1998), 63 FR 29719 (March 11, 1998).

⁵ See letter from Michael D. Pierson, Senior Attorney, PCX to Sarrita Cypress, Office of Market Supervision, SEC, dated March 19, 1998.

⁶ 15 U.S.C. 78s(b)(3)(A) and 17 CFR 240.19b-4(e)

III. Date of Effectiveness of the Proposed Rule Change and Timing for Commission Action

The foregoing rule change establishes a due, fee, or other charge imposed by the Exchange and, therefore, has become effective pursuant to Section 19(b)(3)(A) of the Act and subparagraphs (e) of Rule 19b-4 thereunder.¹¹ At any time within 60 days of the filing of Amendment No. 1 to 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, NW., Washington, DC 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, NW., Washington, DC 20540. 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-98-08 and should be submitted by June 1, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹²

Margaret H. McFarland,

Deputy Secretary.

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project to finance land and facilities to house the Exchange. Subsequent to those meetings, the Exchange received a petition signed by approximately 165 Options Floor Members opposing the proposed new Exchange facilities and assessment plan. A copy of the petition has been filed with the Commission as Exhibit A to the Rule 19b-4 filing for the proposed rule change.

¹¹ 15 U.S.C. 78s(b)(3)(A) and 17 CFR 19b-4(e).

¹² 17 CFR 200.30-3(a)(12).

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Reports, Forms and Recordkeeping Requirements; Agency Information Collection Activity Under OMB Review

AGENCY: Office of the Secretary, DOT.

ACTION: Notice and request for comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995 (44 U.S.C. 3501 *et seq.*), this notice announces that the Information Collection (ICR) abstracted below has been forwarded to the Office of Management and Budget (OMB) for review and comment. The ICRs describes the nature of the information collection and their expected burden. The **Federal Register** Notice with a 60-day comment period soliciting comments on the following collection of information was published on November 20, 1997 [62 FR 224].

DATES: Comments must be submitted on or before June 10, 1998.

FOR FURTHER INFORMATION CONTACT: Judith Street, ABC-100; Federal Aviation Administration; 800 Independence Avenue, SW.; Washington, DC 20591; Telephone number (202) 267-9895.

SUPPLEMENTARY INFORMATION:

Federal Aviation Administration (FAA)

Title: Pilot Medical Certification Customer Service Survey.

OMB Control Number: 2120-0624.

Type of Request: Extension of a currently approved collection.

Affected Public: 48,000 Pilots.

Abstract: This information is being conducted to comply with the Executive Order 12862, Setting Customer Service Standards. The information will be used to evaluate agency performance in the area of pilot medical certification. The completion of this form is voluntary and the information collection will be conducted anonymously.

Estimated Annual Burden Hours: 2,400 hours.

Addressee: Send comments to the Office of Information and Regulatory Affairs, Office of Management and Budget, 725-17th Street, NW., Washington, DC 20503, Attention DOT Desk Officer.

Comments are invited on: Whether the proposed collection of information is necessary for the proper performance of the functions of the Department, including whether the information will have practical utility; the accuracy of the Department's estimate of the burden of the proposed information collection;

ways to enhance the quality, utility and clarity of the information to be collected; and ways to minimize the burden of the collection of information on respondents, including the use of automated collection techniques or other forms of information technology.

Issued in Washington, DC, on May 5, 1998.

Vanester M. Williams,

Clearance Officer, United States Department of Transportation.

[FR Doc. 98-12440 Filed 5-8-98; 8:45 am]

BILLING CODE 4910-62-P

DEPARTMENT OF TRANSPORTATION

Aviation Proceedings, Agreements Filed During the Week Ending of May 1, 1998

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-98-3793.

Date Filed: April 28, 1998.

Parties: Members of the International Air Transport Association.

Subject:

COMP Telex Mail Vote 937.

(Euro) Conversion Resolution 010h.

Intended effective date: June 1, 1998.

Paulette V. Twine,

Federal Register Liaison.

[FR Doc. 98-12369 Filed 5-8-98; 8:45 am]

BILLING CODE 4910-62-P

DEPARTMENT OF TRANSPORTATION

Notice of Applications for Certificates of Public Convenience and Necessity and Foreign Air Carrier Permits Filed Under Subpart Q During the Week Ending May 1, 1998

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-98-3801.

Date Filed: April 30, 1998.