

C. Self-Regulatory Organization's Statement on Comments on the Proposed Rule Change Received From Members, Participants or Others

No comments were solicited or received.

III. 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 submission 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. Copies of such filing also will be available for inspection and copying at the Exchange. All submissions should refer to file number SR-CHX-98-16 and should be submitted by July 29, 1998.

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

The Commission finds that the Exchange's proposal is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange. Specifically, the Commission finds that the proposed rule change is consistent with Section 6(b)(5) of the Act,¹³ which requires that an exchange have rules designed to prevent fraudulent and manipulative acts and practices, 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, in general, to protect investors and the public interest. The Commission also believes that the proposal is consistent with Section 11A(a)(1)(C) and 11A(a)(1)(D) of the Act because the Exchange's proposal conforms CHX specialist obligations to those applicable to OTC market makers in Nasdaq/NM securities, while CHX provides a

separate, competitive market for Nasdaq/NM securities.

The Commission notes however that, while the Exchange has been working towards establishing a linkage, specialists and OTC market makers do not yet have an effective method of routing orders to each other. The Commission expects the Exchange to continue to work towards establishing a linkage with the Nasdaq systems as requested in the January 3, 1997 order.¹⁴ The Commission is approving the extension of the pilot so that the rules of the exchange will operate without interruption.

The Commission therefore 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 the **Federal Register**.

It is Therefore Ordered, pursuant to Section 19(b)(2),¹⁵ that the proposed rule change (SR-CHX-98-16) be, and hereby is, approved through December 31, 1998.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁶

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-18052 Filed 7-7-98; 8:45 am]

BILLING CODE 8010-01-M

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40146; File No. SR-NYSE-98-10]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the New York Stock Exchange, Inc., and Amendment No. 1 Thereto, To Amend Exchange Rule 115 Regarding Disclosure of Specialists' Orders

June 30, 1998.

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 March 17, 1998, the New York Stock Exchange, Inc. (the "NYSE" or "Exchange") filed with the Securities and Exchange Commission ("SEC" or "Commission") the proposed rule change as described in Items I, II and III below, which Items have been prepared by the Exchange. On June 23, 1998, the NYSE filed an amendment to the proposal.³ The

¹⁴ See Securities Exchange Act Release No. 38119 (January 3, 1997), 62 FR 1788 (January 13, 1997).

¹⁵ 15 U.S.C. 78s(b)(2).

¹⁶ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ See Letter from Agnes M. Gautier, Vice President, Market Surveillance, NYSE, to Richard

Commission is publishing this notice to solicit comments on the proposed rule change, as amended, from interested persons.

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

The proposed rule change consists of amendments to Exchange Rule 115, Disclosure of Specialists' Orders Prohibited. The text of the proposed rule change is available at the Office of the Secretary, the NYSE, and at the Commission.

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 NYSE 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 NYSE 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

Exchange Rule 115 prohibits disclosure of information in regard to orders on a specialist's book except in certain limited circumstances. This policy was first adopted as a rule in February 1934. Limited exceptions were adopted for disclosure when demonstrating methods of trading to visitors in 1938 and to implement the Intermarket Trading System in 1978. A third exception, approved in 1991, allows a specialist to provide

Strasser, Assistant Director, Division of Market Regulation, Commission, dated June 17, 1998 ("Amendment No. 1"). In Amendment No. 1, the NYSE clarifies that percentage orders, under the proposed rule change, will be treated the same as other orders other than stop orders. The NYSE also notes that the proposed amendment to NYSE Rule 115, permitting a specialist to respond to an issuer's inquiry regarding buying and selling interest in its stock, is consistent with NYSE Rule 106, recent changes to the Exchange's Allocation Policy, and the duties of a specialist in that the proposal should promote a positive professional relationship between the specialist and the exchange-listed company. Furthermore, the Exchange notes it believes that non-member, non-issuer market participants are not disadvantaged by communications between the issuer and the specialist because the same information is available through a member's market probe of the specialist. The Exchange represents that under the proposed rule change issuers will not have direct access to the floor of the Exchange.

¹³ 15 U.S.C. 78f(b)(5).

information about buying or selling interest in the market at or near the prevailing quote in response to a market probe of a member.⁴ The specialist must make this same information available, in a fair and impartial manner, to all members making a similar inquiry. The specialist must also be expressly authorized to release the names of buyers and sellers by the member who entered the order. The names of buyers and sellers refers to the names of members or member organizations entering orders or expressing interest with the specialist, and not the names of their customers.

The Exchange is proposing to amend Rule 115 to permit a specialist, acting solely in his or her capacity as a market maker (*i.e.*, while on the Floor), and responding to a market probe by a member, to give any information concerning buying and selling interest or orders he or she holds on the book in a stock.⁵ This proposal deletes the limitation that such disclosed interest be "at or near the prevailing quote." However, with respect to stop orders on the book for a stock,⁶ a specialist may disclose this information when the specialist judges that the member conducting the market probe has the intention to trade in the stock at a price at which such stop orders would be relevant. The additional restriction on the disclosure of stop orders will permit disclosure in legitimate circumstances, *e.g.*, when a proposed trade would be effected at a price which would trigger stop orders.

The proposal would also permit the specialist to disclose the identity of any buyer or seller represented on his book without being required to have express authorization from the member who entered the order to disclose the names of buyers and sellers, *i.e.*, the members or member organizations who are representing the buying and selling interest. Nevertheless, a member may request that the identity of a buyer or seller *not* be disclosed at any time, or in respect to a particular order left with a specialist.

The rule will continue to require a specialist to make any information available in a fair and impartial manner.

The Exchange believes that enabling specialists to provide information under amended Rule 115 will facilitate the bringing together of buyers and sellers in a more efficient manner. For example, information will be given to members acting in the capacity of agents for their customers, and thus, the benefits of having this information will inure to these customers by giving them a more complete picture of trading interest.

An added exception to Rule 115 is proposed to permit specialists to disclose information about orders on the book in their stock to listed companies, except for information pertaining to stop orders in the stock. The Exchange believes this will provide the opportunity for specialists to respond to listed companies' requests to be kept apprised concerning the market for their stocks.

2. Statutory Basis

The basis under the Act for this proposed rule change is section 11(b),⁷ which prohibits a specialist from disclosing information on orders he or she holds "which is not available to all members. * * *" The Exchange believes that the change to NYSE Rule 115 is consistent with Section 11(b)⁸ because it provides a mechanism for the fair and impartial disclosure of information by the specialist in a manner that is neither anti-competitive nor discriminatory. The specialist must respond to market probes by members with the same information being disclosed to each such member. With respect to the disclosure of stop orders, the rule's requirement that the specialist have a reasonable belief that the inquiry is fostered by an intent to trade at a relevant price supports the aims of Section 6(b)(5) of the Act⁹ concerning the prevention of fraudulent or manipulative acts. Disclosure of certain information to issuers also supports the provisions of Section 6(b)(5)¹⁰ with respect to creating a free and open market.

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

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

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 its 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 the 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. Specifically, the Commission requests comments on whether the proposed provisions regarding issuer access to the specialist's book is consistent with the Act, including Section 6(b)(5) of the Act.¹¹ 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 submissions, 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 NYSE. All submissions should refer to File No. SR-NYSE-98-10 and should be submitted by July 29, 1998.

⁴ Securities Exchange Act Release No. 29318 (June 17, 1991) 56 FR 28937 (June 25, 1991).

⁵ The proposal includes not only orders on the specialist's book, but also any percentage orders held by the specialist. See Amendment No. 1, *supra* note 3.

⁶ A stop order is an order to buy or sell at the market when a definite price is reached either above (on a buy) or below (on a sell) the price that prevailed when the order was given. A stop order becomes a market order after a transaction at the stop price occurs. A stop-limit order is a stop order that designates a price limit. A stop-limited order becomes a limit order when a transaction takes place at the stop price. See NYSE Rule 13.

⁷ 15 U.S.C. 78k(b).

⁸ *Id.*

⁹ 15 U.S.C. 78f(b)(5).

¹⁰ *Id.*

¹¹ *Id.*

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-18002 Filed 7-7-98; 8:45 am]

BILLING CODE 8010-01-M

SMALL BUSINESS ADMINISTRATION

Data Collection Available for Public Comments and Recommendations

ACTION: Notice and request for comments.

SUMMARY: In accordance with the Paperwork Reduction Act of 1995, this notice announces the Small Business Administration's intentions to request approval on a new, and/or currently approved information collection.

DATES: Comments should be submitted on or before September 8, 1998.

FOR FURTHER INFORMATION CONTACT:

Curtis B. Rich, Management Analyst, Small Business Administration, 409 3rd Street, S.W., Suite 5000, Washington, D.C. 20416. Phone Number: 202-205-6629.

SUPPLEMENTARY INFORMATION:

Title: "Executive Education Program Participant Profile".

Type of Request: New Collection.

Form No: N/A.

Description of Respondents: 8(a) Participants.

Annual Response: 300.

Annual Burden: 225.

Comments: Send all comments regarding this information collection to Cherina Hunter, General Business & Industry Specialist, Office of Minority Enterprise Development, Small Business Administration, 409 3rd Street S.W., Suite 8000, Washington, D.C. 20416. Phone No: 202-205-6412.

Send comments regarding whether this information collection is necessary for the proper performance of the function of the agency, accuracy of burden estimate, in addition to ways to minimize this estimate, and ways to enhance the quality.

Dated: July 2, 1998.

Vanessa Smith,

Acting Chief, Administrative Information Branch.

[FR Doc. 98-18137 Filed 7-7-98; 8:45 am]

BILLING CODE 8025-01-M

SMALL BUSINESS ADMINISTRATION

[License No.: 01/71-0369]

RFE VI SBIC, L.P.; Notice of Issuance of a Small Business Investment Company License

On March 9, 1998, an application was filed by RFE VI SBIC, L.P., at 36 Grove Street, New Canaan, Connecticut 06840, with the Small Business Administration (SBA) pursuant to Section 107.300 of the Regulations governing small business investment companies (13 CFR 107.300 (1997)) for a license to operate as a small business investment company.

Notice is hereby given that, pursuant to Section 301(c) of the Small Business Investment Act of 1958, as amended, after having considered the application and all other pertinent information, SBA issued License No. 01/71-0369 on June 17, 1998, to RFE VI SBIC, L.P., to operate as a small business investment company.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies)

Dated: June 19, 1998.

Don A. Christensen,

Associate Administrator for Investment.

[FR Doc. 98-18139 Filed 7-7-98; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[License No.: 06/76-0316]

SBIC Partners II, L.P.; Notice of Issuance of a Small Business Investment Company License

On December 22, 1997, an application was filed by SBIC Partners II, L.P., at 201 Main Street, Suite 2302, Fort Worth, TX 76102, with the Small Business Administration (SBA) pursuant to Section 107.300 of the Regulations governing small business investment companies (13 CFR 107.300 (1997)) for a license to operate as a small business investment company.

Notice is hereby given that, pursuant to Section 301(c) of the Small Business Investment Act of 1958, as amended, after having considered the application and all other pertinent information, SBA issued License No. 06/76-0316 on June 16, 1998, to SBIC Partners II, L.P. to operate as a small business investment company.

(Catalog of Federal Domestic Assistance Program No. 59.011, Small Business Investment Companies)

Dated: June 19, 1998.

Don A. Christensen,

Associate Administrator for Investment.

[FR Doc. 98-18138 Filed 7-7-98; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

Interest rates

The Small Business Administration publishes an interest rate called the optional "peg" rate (13 CFR 120.214) on a quarterly basis. This rate is a weighted average cost of money to the government for maturities similar to the average SBA direct loan. This rate may be used as a base rate for guaranteed fluctuating interest rate SBA loans. This rate will be 5⅞ percent for the July-September quarter of FY 98.

Pursuant to 13 CFR 120.921(b), the maximum legal interest rate for a commercial loan which funds any portion of the cost of a project (see 13 CFR 120.801) shall be the greater of 6% over the New York prime rate or the limitation established by the constitution or laws of a given State. The initial rate for a fixed rate loan shall be the legal rate for the term of the loan.

Jane Palsgrove Butler,

Acting Associate Administrator for Financial Assistance.

[FR Doc. 98-17979 Filed 7-7-98; 8:45 am]

BILLING CODE 8025-01-M

DEPARTMENT OF TRANSPORTATION

Office of the Secretary

Reports, Forms and Recordkeeping Requirements

AGENCY: Office of the Secretary, DOT

ACTION: Notice.

SUMMARY: This notice lists those forms, reports, and recordkeeping requirements imposed upon the public which were transmitted by the Department of Transportation to the Office of Management and Budget (OMB) for its approval in accordance with the requirements of the Paperwork Reduction Act of 1995 (44 USC Chapter 35). Section 3507 of Title 44 of the United States Code, requires that agencies prepare a notice for publication in the **Federal Register**, listing information collection request submitted to OMB for approval or renewal under that Act. OMB reviews and approves agency submissions in accordance with criteria set forth in that Act. In carrying out its responsibilities, OMB also considers public comments

¹² 17 CFR 200.30-3(a)(12).