

issue security until several days or weeks after the issuance. As a result of PTC's pricing and margining methodology, new issue CMOs are given a value of zero for this initial period because they are unpriced by PTC's pricing vendors. Although PTC makes every effort to have the underwriters provide PTC's pricing vendors with the prospectus supplements prior to initial settlement, the information is generally not available in sufficient time to permit the vendors to model and price the new issue securities prior to settlement.

PTC proposes to modify its pricing and margining methodology for newly issued CMO securities to more accurately reflect their value for this initial period during which pricing vendors are generally unable to provide prices. Prior to the issuance of a CMO security, PTC will seek to obtain indicative bid side prices for each class of the issue from the deal underwriter prior to the closing. PTC will establish margins on new issue CMO securities (that it has priced by reference to underwriter supplies prices) based on larger interest rate shifts, +100 or -200 basis points, than are applied to vendor priced CMO issues, +50 or -100 basis points. Interest only, principal only, and inverse floater classes will be given no value.

Underwriter supplied values will be used for a maximum of three weeks after the issuance. Any CMO issue not priced by both vendors at three weeks from issuance will be given a value of zero by increasing the margin to 100%, as is currently the case with all CMO issues, and will continue to be the case with respect to all but new CMO issues for this three week period.

PTC believes that the proposed rule change is consistent with Section 17A(b)(3)(F) of the Act⁴ and the rules and regulations promulgated thereunder because it facilitates the prompt and accurate clearance and settlement of securities transactions and provides for the safeguarding of securities and funds in PTC's custody or control or for which PTC is responsible.

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

PTC does not believe that the proposed rule change will impose any burden on competition.

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

PTC has discussed the proposed methodology with its Risk Management

Committee, which is comprised of participant representatives that are knowledgeable in this area. PTC has not solicited or received any unsolicited written comments from participants or other interested parties.

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

Within thirty-five 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 ninety 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 PTC 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, 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 Section, 450 Fifth Street, N.W., Washington, D.C. 20549. Copies of such filing also will be available for inspection and copying at the principal office of PTC. All submissions should refer to File No. SR-PTC-98-03 and should be submitted by September 1, 1998.

For the Commission by the Division of Market Regulations, pursuant to delegated authority.⁵

Jonathan G. Katz,

Secretary.

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SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3104]

State of Florida (Amendment #1)

In accordance with a notice from the Federal Emergency Management Agency dated July 22, 1998, the above-numbered Declaration is hereby amended to establish the incident period for this disaster as beginning on May 25, 1998 and continuing through July 22, 1998.

All other information remains the same, i.e., the deadline for filing applications for physical damage is September 1, 1998 and for economic injury the termination date is April 5, 1999.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: July 28, 1998.

Bernard Kulik,

Associate Administrator for Disaster Assistance.

[FR Doc. 98-21469 Filed 8-10-98; 8:45 am]

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SMALL BUSINESS ADMINISTRATION

Declaration of Disaster #3117; State of Indiana

Howard and Marion Counties and the contiguous counties of Boone, Carroll, Cass, Clinton, Grant, Hamilton, Hancock, Hendricks, Johnson, Miami, Morgan, Shelby, and Tipton in the State of Indiana constitute a disaster area as a result of damages caused by severe storms, tornadoes, and flooding that occurred June 11 through July 7, 1998. Applications for loans for physical damage from this disaster may be filed until the close of business on October 1, 1998 and for economic injury until the close of business on April 30, 1999 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308.

The interest rates are:

	Percent
For Physical Damage:	
HOMEOWNERS WITH CREDIT AVAILABLE ELSEWHERE	7.000
HOMEOWNERS WITHOUT CREDIT AVAILABLE ELSEWHERE	3.500
BUSINESSES WITH CREDIT AVAILABLE ELSEWHERE	8.000
BUSINESSES AND NON-PROFIT ORGANIZATIONS WITHOUT CREDIT AVAILABLE ELSEWHERE	4.000

⁴ 15 U.S.C. 78q-1(b)(3)(F).

⁵ 17 CFR 200.30-3(a)(12).

	Percent
OTHERS (INCLUDING NON-PROFIT ORGANIZATIONS) WITH CREDIT AVAILABLE ELSEWHERE	7.125
For Economic Injury: BUSINESSES AND SMALL AGRICULTURAL CO-OPERATIVES WITHOUT CREDIT AVAILABLE ELSEWHERE	4.000

The numbers assigned to this disaster are 311711 for physical damage and 996000 for economic injury.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: July 31, 1998.

Aida Alvarez,
Administrator.

[FR Doc. 98-21507 Filed 8-10-98; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3103]

State of Iowa (Amendment #2)

In accordance with a notice from the Federal Emergency Management Agency dated July 20, 1998, the above-numbered Declaration is hereby amended to include the following counties in the State of Iowa as a disaster area due to damages caused by severe storms, tornadoes, and flooding beginning on June 13, 1998 and continuing: Allamakee, Benton, Black Hawk, Buchanan, Butler, Calhoun, Clarke, Crawford, Davis, Fayette, Harrison, Jefferson, Linn, Madison, Mahaska, Monona, Ringgold, Sac, Story, Warren, and Winneshiek.

In addition, applications for economic injury loans from small businesses located in the following contiguous counties may be filed until the specified date at the previously designated location: Buena Vista, Cerro Gordo, Cherokee, Clayton, Decatur, Delaware, Ida, Jones, Pocahontas, Wayne, and Woodbury Counties in Iowa; Burt and Thurston Counties in Nebraska; Houston County, Minnesota; Crawford and Vernon Counties in Wisconsin; and Harrison, Schuyler, and Scotland Counties in Missouri. Any counties contiguous to the above-named primary counties and not listed herein have been previously declared.

All other information remains the same, i.e., the deadline for filing applications for physical damage is August 31, 1998 and for economic injury the termination date is April 2, 1999.

The economic injury number for the State of Wisconsin is 995900.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: July 28, 1998.

Bernard Kulik,
Associate Administrator for Disaster Assistance.

[FR Doc. 98-21467 Filed 8-10-98; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

Declaration of Disaster #3119; State of Minnesota, (And Contiguous Counties in Wisconsin)

Goodhue County and the contiguous counties of Dakota, Dodge, Olmstead, Rice, Steele, and Wabasha in the State of Minnesota, and Pepin and Pierce Counties in the State of Wisconsin constitute a disaster area as a result of damages caused by flooding that occurred June 24-28, 1998.

Applications for loans for physical damage from this disaster may be filed until the close of business on October 1, 1998 and for economic injury until the close of business on April 30, 1999 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 2 Office, One Baltimore Place, Suite 300, Atlanta, GA 30308.

The interest rates are:

	Percent
For Physical Damage:	
HOMEOWNERS WITH CREDIT AVAILABLE ELSEWHERE	7.000
HOMEOWNERS WITHOUT CREDIT AVAILABLE ELSEWHERE	3.500
BUSINESSES WITH CREDIT AVAILABLE ELSEWHERE	8.000
BUSINESSES AND NON-PROFIT ORGANIZATIONS WITHOUT CREDIT AVAILABLE ELSEWHERE	4.000
OTHERS (INCLUDING NON-PROFIT ORGANIZATIONS) WITH CREDIT AVAILABLE ELSEWHERE	7.125
For Economic Injury:	
BUSINESSES AND SMALL AGRICULTURAL CO-OPERATIVES WITHOUT CREDIT AVAILABLE ELSEWHERE	4.000

The numbers assigned to this disaster for physical damage are 311906 for Minnesota and 312006 for Wisconsin. For economic injury the numbers are 996300 for Minnesota and 996400 for Wisconsin.

(Catalog of Federal Domestic Assistance Program Nos. 59002 and 59008)

Dated: July 31, 1998.

Aida Alvarez,
Administrator.

[FR Doc. 98-21509 Filed 8-10-98; 8:45 am]

BILLING CODE 8025-01-P

SMALL BUSINESS ADMINISTRATION

[Declaration of Disaster #3112]

State of North Dakota

As a result of the President's major disaster declaration on June 15, 1998 for Public Assistance, and amendments thereto one of which, dated July 21, added Individual Assistance, I find that the following counties in the State of North Dakota constitute a disaster area due to damages caused by severe storms, flooding, and ground saturation beginning on March 2, 1998 and continuing through July 18, 1998: Barnes, Benson, Cass, Dickey, LaMoure, Nelson, Pembina, Pierce, Ramsey, Ransom, Richland, Rolette, Sargent, Stutsman, Towner, and Walsh, and the Indian Reservations of the Spirit Lake Sioux Tribe and the Turtle Mountain Band of Chippewa. Applications for loans for physical damages as a result of this disaster may be filed until the close of business on September 19, 1998, and for loans for economic injury until the close of business on April 21, 1999 at the address listed below or other locally announced locations: U.S. Small Business Administration, Disaster Area 3 Office, 4400 Amon Carter Blvd., Suite 102, Fort Worth, TX 76155.

In addition, applications for economic injury loans from small businesses located in the following contiguous counties may be filed until the specified date at the above location: Bottineau, Cavalier, Eddy, Foster, Grand Forks, Griggs, Kidder, Logan, McHenry, McIntosh, Sheridan, Steele, Traill, and Wells Counties in North Dakota; Clay, Kittson, Marshall, Norman, Polk, Traverse, and Wilkin Counties in Minnesota; and Brown, Marshall, McPherson, and Roberts Counties in South Dakota.

The interest rates are:

	Percent
For Physical Damage:	
Homeowners with credit available elsewhere	7.250
Homeowners without credit available elsewhere	3.625
Businesses with credit available elsewhere	8.000
Businesses and non-profit organizations without credit available elsewhere	4.000