

withdrawal of the Company's Securities from listing on the Amex.

This application relates solely to the withdrawal from listing of the Company's Securities from Amex and has no effect upon the continued listing of the Company's Securities on the Nasdaq NMS.

By reason of Section 12(g) of the Act, as amended, and the rules and regulations of the Commission promulgated thereunder, the Company shall continue to be obligated to file reports under Section 13 of the Act.

Any interested person may, on or before September 28, 1998, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the Exchange and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

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

Jonathan G. Katz,
Secretary.

[FR Doc. 98-24426 Filed 9-10-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[File No. 1-13437]

Issuer Delisting; Notice of Application To Withdraw From Listing and Registration; (The Source Information Management Company, Common Stock, \$0.01 Par Value)

September 4, 1998.

The Source Information Management Company ("Company") has filed an application with the Securities and Exchange Commission ("Commission"), pursuant to Section 12(d) of the Securities Exchange Act of 1934 ("Act") and Rule 12d2-2(d) promulgated thereunder, to withdraw the above specified security ("Security") from listing and registration on the Boston Stock Exchange, Inc. ("BSE" or "Exchange").

The reasons cited in the application for withdrawing the Security from listing and registration include the following:

The Company's Security was included on the National Market System

of the Nasdaq Stock Market, Inc. ("Nasdaq NMS") at the opening of business on June 12, 1998. As a result, the Company considered the increased likelihood of market inefficiencies, the administrative inconvenience and associated costs of satisfying the requirements of more than one exchange or market, and the requirement of the Nasdaq NMS that the Company take all steps necessary to withdraw its Security from listing on the Exchange, in making the decision to withdraw its Security from listing and registration on the BSE.

The Company has complied with the rules of the Exchange by filing a certified copy of the resolution adopted by the Company's Board of Directors authorizing the withdrawal of its Security from listing and registration on the Exchange and by setting forth in detail to the Exchange the reasons for such proposed withdrawal, and the facts in support thereof.

By letter dated June 8, 1998, the Exchange informed the Company that it would not object to the withdrawal of the Company's Security from listing and registration on the BSE.

The withdrawal from listing of the Company's Security from the BSE shall have no effect upon the continued listing of the Security on the Nasdaq.

By reason of Section 12(g) of the Act and the rules thereunder, the Company shall continue to be obligated to file reports under Section 13 of the Act with the Commission and the Nasdaq.

Any interested person may, on or before September 28, 1998, submit by letter to the Secretary of the Securities and Exchange Commission, 450 Fifth Street, N.W., Washington, D.C. 20549, facts bearing upon whether the application has been made in accordance with the rules of the Exchange and what terms, if any, should be imposed by the Commission for the protection of investors. The Commission, based on the information submitted to it, will issue an order granting the application after the date mentioned above, unless the Commission determines to order a hearing on the matter.

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

Jonathan G. Katz,
Secretary.

[FR Doc. 98-24425 Filed 9-10-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40395; File No. SR-PCX-98-32]

Self-Regulatory Organizations; Pacific Exchange, Inc.; Order Granting Approval to Proposed Rule Change Relating to Listing and Maintenance Fees for Nasdaq Listings

September 3, 1998.

I. Introduction

On July 14, 1998,¹ the Pacific Exchange, Inc. ("PCX" or "Exchange") submitted to the Securities and Exchange Commission ("SEC" or "Commission"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")² and Rule 19b-4 thereunder,³ a proposed rule change to modify its listing and maintenance fees for certain issues dually listed on the PCX and the Nasdaq Stock Market, Inc. ("Nasdaq").

The proposed rule change was published for comment in the **Federal Register** on July 29, 1998, as amended.⁴ No comments were received on the proposal. This order approves the proposal.

II. Description of the Proposal

Currently, common stock that is listed on both the PCX and either the New York Stock Exchange ("NYSE") or American Stock Exchange ("AMEX") is considered dually listed for the purposes of determining the amount of original listing fees and maintenance fees. In the proposed rule change, the Exchange proposed to add Nasdaq National Market ("NNM") issues to the list of dually listed issues, thereby reducing the original listing fee for NNM issues to \$10,000.00 from \$20,000.00. Annual maintenance fees for any one NNM issue were also proposed to be reduced from \$2000.00 to \$1000.00. Fees for Nasdaq Small Cap Market issues remain the same.

In addition to modifying original listing fees and maintenance fees, the Exchange proposed to reduce the frequency of listing maintenance

¹ The proposed rule change was originally filed on June 19, 1998 pursuant to Section 19(b)(3)(A)(ii) of the Act. Amendment No. 1 converted the proposed rule change to a filing pursuant to Section 19(b)(2) of the Act because the proposal changed fees that apply to issuers. Letter from Robert Pacileo, Staff Attorney, Regulatory Policy, PCX to Kelly McCormick, Attorney, Office of Market Supervision, Division of Market Regulation, Commission, dated July 10, 1998.

² 15 U.S.C. 78s(b)(1).

³ 17 CFR 240.19b-4.

⁴ Securities Exchange Act Release No. 40249 (July 22, 1998), 63 FR 40577.

reviews for NNM issues; the reviews will be done on an annual basis along with other dually listed issues and rather than a quarterly basis as required for exclusive issues.⁵

III. Discussion

After careful review, the Commission finds that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder applicable to a national securities exchange.⁶ In particular, the Commission believes the proposal is consistent with the requirements of Section 6(b)(4) of the Act⁷ because it is designed to provide for the equitable allocation of reasonable dues, fees and other charges among members, issuers and other persons using its facilities. The proposal fairly allocates fees among issuers, NYSE, AMEX and NNM. The proposal provides issuers that list on both the PCX and NNM with the lower fees and lighter maintenance schedule as are currently provided to NYSE and AMEX issues. The Commission believes such reduced fees are appropriate and reasonable because the costs incident to maintaining exclusive issues are greater than costs incident to maintaining dually listed issues. The Exchange's costs incident to dually listed issues are lower because it requires only one maintenance review annually, rather than the quarterly reviews required for exclusive issues.

In addition, the Commission finds that the proposed rule change is consistent with the requirements of Section 6(b)(5) of the Act.⁸ The Commission believes the proposal fosters cooperation and coordination between persons engaged with regulating securities transactions. The PCX reduced its own review process on NNM issues based in part on the review process of Nasdaq. According to the PCX, Nasdaq is a primary listing association and bears the primary obligation to ensure that its issuers meet appropriate listing standards. The Commission also believes that the proposal is not designed to permit unfair discrimination between issuers because the Exchange listing maintenance reviews for dually listed NYSE, AMEX and NNM issues are all on an annual basis.

⁵ The PCX Policy and Procedures Manual Section 903.01 provides for annual listing maintenance reviews for dually listed issues.

⁶ In reviewing this proposal, the Commission has considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

⁷ 15 U.S.C. 78f(b)(4).

⁸ 15 U.S.C. 78f(b)(5).

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁹ that the proposed rule change (SR-PCX-98-32) is approved.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-24372 Filed 9-10-98; 8:45 am]

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SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40397; File No. SR-PCX-98-19]

Self-Regulatory Organizations; Pacific Exchange, Inc.; Order Approving Proposed Rule Change Relating to Capital Requirements and Guaranteed Participation of Lead Market Makers

September 3, 1998.

I. Introduction

On April 16, 1998, the Pacific Exchange, Inc. ("PCX" or "Exchange"), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4² thereunder, filed with the Securities and Exchange Commission ("Commission"), a proposed rule change to amend PCX Rule 6.82 concerning Lead Market Makers. The Exchange filed Amendment No. 1 to the proposed rule change with the Commission on June 4, 1998.³

The proposed rule change was published for comment in the **Federal Register** on June 15, 1998.⁴ No comments were received on the proposal. This order approves the proposal.

II. Description of the Proposal

PCX Rule 6.82 sets forth the basic rules and procedures applicable to Lead Market Makers ("LMMs") and the PCX's LMM Program.⁵ PCX seeks to amend

⁹ 15 U.S.C. 78s(b)(2).

¹⁰ 17 CFR 200.30-3(a)(12).

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Amendment No. 1 clarified the text of the proposed rule change. See letter from Michael D. Pierson, Senior Attorney, to Heidi Pilpel, Special Counsel, Division of Market Regulation, SEC (June 4, 1998).

⁴ See Securities Exchange Act Release No. 40070 (June 4, 1998), 63 FR 32691.

⁵ The LMM Program is governed by PCX Rules 6.82 and 6.83, which rules apply strictly to options trading. The PCX's LMM Program was granted permanent approval on September 22, 1997. See Securities Exchange Act Release No. 39111, 62 FR 51710 (October 2, 1997).

PCX Rule 6.82 by modifying the capital requirements for LMMs on the exchange and clarifying the procedures applicable to LMM's guaranteed participation. The text of the proposed rule change is available at the offices of the Commission and the Exchange.

A. LLM Capital

PCX Rule 6.82(c)(11) currently provides that each LMM on the Exchange must maintain a cash or liquid asset position in the amount of \$100,000 or in an amount sufficient to assume a position of twenty trading units of the security underlying the option the LMM has been allocated, whichever amount is greater. The term "trading unit" means, in the case of stocks, 100 shares.⁶ Therefore, LMMs are currently required to maintain a cash or liquid asset position in the amount of \$100,000 or in an amount sufficient to assume a position of 2000 shares of stock in each option issue allocated to the LMM.

The proposed rule change would eliminate the current LMM capital requirement and replace it with another one providing that each LMM must maintain a cash or liquid asset position of at least \$350,000, plus \$25,000 for each issue over eight issues that have been allocated to the LMM.⁷ Under the proposal, PCX Rule 6.82(c)(11) will continue to provide that in the event that two or more LMMs are associated with each other and deal for the same LMM account, the LMM capital requirement will apply to such LMMs collectively, rather than to each LMM individually.⁸

The Exchange believes that the current LMM capital requirement, which generally fluctuates as the price of the underlying stock fluctuates, is unduly complicated and difficult to calculate, both for the exchange and for individual LMMs.⁹ Additionally, the Exchange believes that all of its LMMs should have cash or liquid asset positions of at least \$350,000 and that the current minimum amount of \$100,000 is insufficient.

B. Guaranteed Participation

PCX Rule 6.82(d)(2) currently provides that LMMS are guaranteed 50% participation in transactions

⁶ See PCX Rule 5.3(a).

⁷ Like the current rule, the proposed rule would not apply to issues traded by an LMM in connection with the Exchange's LMM Book Pilot Program, as provided in PCX Rule 6.82(h).

⁸ Cf. CBOE Rule 8.80, Interp. and Policy .02.

⁹ In that regard, the Exchange noted in its filing that the Commission's net capital rule also establishes fixed dollar amounts applicable to broker-dealers.