volumes, once the original three months have passed and the firm's fixed specialist fees have been reinstated. These fee credits, which are available for three months, are intended to serve as incentives for specialist firms to bring equity order flow to the Exchange.

The Exchange is proposing to modify the Program so that a specialist firm would need to maintain financial and operational responsibility for the new post for a minimum of six months in order to receive fee credits or fee waivers under the Program. This requirement is intended to assure that firms will not take on a new post for less than six months and then abandon it after having received the Program benefits. Accordingly if the Exchange approves a firm for participation in the Program, and the firm abandons the post before six months have passed, the firm will be obligated to pay the fixed specialist fees that otherwise would have applied while the firm was responsible for the post.

The Exchange notes that the terms of this rule filing will only apply to specialist firms that provide new backing to a specialist post under the Program after the effective date of this rule filing.

(2) Basis

The Exchange believes the proposed rule change is consistent with Section 6(b) of the Act,[5] in general, and furthers the objectives of Section 6(b)(5),[6] in particular, in that it is designed to promote just and equitable principles of trade and to protect investors and the public interest. The Exchange also believes that the proposal is consistent with Section 6(b)(4) of the Act[7] in that it is designed to provide for the equitable allocation of dues, fees and 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.

[5] 15 U.S.C. 78f(b).

[6] 15 U.S.C. 78f(b)(5).

[7] 15 U.S.C 78f(b)(4).

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) of the Act[8] and subparagraph (e)(2) of Rule 19b–4 thereunder[9] because it is establishing or changing a due, fee or other charge. 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.

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.[10] 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 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 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–98–49 and should be submitted by November 19, 1998.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–29008 Filed 10–28–98; 8:45 am]

BILLING CODE 8010–01–M

[8] 15 U.S.C. 78s(b)(3)(A).

[9] 17 CFR 240.19b–4(e)(2).

[10] In reviewing these rules, the Commission has considered the proposed rule change's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 40593; File No. SR–PHLX–98–37]

Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to Stopping Stock

October 22, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (''Act''),[1] and Rule19b–4 thereunder,[2] notice is hereby given that on September 28, 1998, the Philadelphia Stock Exchange Inc. (''PHLX'' 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. The Commission is publishing this notice to solicit comments on the proposed rule change from interested persons.

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

The Exchange proposes to adopt Rule 220, Stopping Stock, which would define agreements to stop stock; establish the obligations of a member who agrees to stop stock; set forth market conditions under which a stop should be granted; establish a policy for executing stopped stock, including the price at which the order should be executed; and establish policies and procedures for execution of stop orders in minimum variation markets that are consistent with the rules of parity, priority and precedence. In addition, the Exchange proposes to amend Equity Floor Procedure Advice A–2 (''Advice A–2'') regarding stopped stock, in order to include reference to proposed Rule 220.

The text of the proposed rule change is available at the Office of the Secretary, PHLX 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 Exchange 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 Exchange has prepared summaries, set

[1] 15 U.S.C. 78s(b)(1).

[2] 17 CFR 240.19b–4.

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

In approving the PHLX's adoption of Advice A–2 regarding the stopping of stock in 1994, the Commission noted that the Exchange should also adopt a rule ''to ensure proper handling of stopped stock''.[3] The Exchange now proposes codifying and enhancing the procedures outlined in Advice A–2 as proposed Rule 220, Stopping Stock, including permitting PHLX specialists to stop stock in minimum variation markets.[4]

Currently stopping stock is a long established practice in equity markets. Reference to this practice presently appears in various rules in addition to Advice A–2. For instance, under Rule 229, Commentary .05, the Public Order Execution System (''POES'') window subjects certain orders to a delay of 30 seconds in order to receive an opportunity for price improvement. If such order is not improved, the order receives the Philadelphia Stock Exchange Automatic Communication and Execution (''PACE'') System quote at which it was stopped.[5] Further, Rule 229, Commentary .07 reflects the practice of stopping stock in the context of price improvement.[6] In fact, the Exchange's efforts in offering superior price improvement technology focus attention on stopping stock practices and the need for codification in PHLX Rules.

Under the proposed rule change, an agreement by a PHLX specialist to ''stop'' securities at a specified price will constitute a guarantee by a member or member organization of the purchase or sale of the securities at the specified price or better. In addition, the proposed rule states that all stopped orders will expire at the end of the trading day.

Proposed rule 220(b) will impose certain procedural requirements for the handling of stopped orders. The specialist will be permitted to stop stock upon the unsolicited request of another member when such member is acting on behalf of either a public customer account or an account in which such member or another member has an interest. After granting the stop, the specialist must display the order in his or her quote, including representative size, and reduce the spread by bidding (offering) at a price higher (lower) than the prevailing bid or offer if not executed immediately after being stopped.[7] This procedure applies in other than minimum variation markets, that is, where the spread in the quotation is greater than twice the minimum variation.

Proposed Rule 220(b)(2) prohibits the specialist from trading for his own account with any order he stopped while he is in possession of an order at an equal or better price than the price of the stopped order and, in each such case, the specialist must exercise due diligence to match the stopped order with such other order in his possession in accordance with Exchange Rules 119 and 120. This provision is similar to the restrictions of Exchange Rule 452, Limitations on Members Trading Because of Customer Orders, and is intended to expressly incorporate the due diligence requirement into the new rule. This provision currently appears in Advice A–2.

The Exchange also proposes to adopt procedures for stopping stock in minimum variation markets.[8] Stopping orders in minimum variation markets will occur primarily when the bid (offer) is at a price higher (lower) than the primary market for day. Specifically, proposed rule 220(d) would provide that in minimum variation markets, the specialist must change his or her quoted bid (offer) in order to reflect the size of the order being stopped. In cases of minimum variation markets, a stopped order to buy (sell) will be filled: (1) after a transaction takes place on the primary market at the stop price or higher (lower) or (2) when the share volume on the Exchange at the bid (offer) is exhausted. All orders stopped in minimum a variation markets shall be executed by the end of the trading day on which the order was stopped at no worse than the stopped price. In granting a stop in a minimum variation market, a specialist should change the quoted bid (offer) size in order to reflect the size of the order being stopped. This provision is similar to provisions of other exchanges.[9]

Section 220(c) provides that the member or member organization which agreed to stop the securities in order to obtain a favorable price will either provide price improvement or guarantee the stop price. If the order is executed at a less favorable price, then such member will be liable for the adjustment of the difference between the two prices.

As explained above, the proposed stopping stock rule codifies existing procedures for stopping stock on the Exchange floor. In addition, the practice of stopping stock enables Exchange specialists to offer primary market price protection, an important price improvement function of PHLX specialists, consistent with national market system principles by executing orders at better prices away from the primary market. Furthermore, it provides the opportunity for the specialist to improve upon the market and narrow the bid/offer spread.

2. Statutory Basis

The Exchange believes that the proposed rule change is consistent with Section 6 of the Act, in general, and Section 6(b)(5), in particular, in that it is designed to promote just and equitable principles of trade, and foster cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to and facilitating transactions in securities by codifying stopping stock procedures into PHLX rules.

B. Self-Regulatory Organization's Statement on Burden on Competition

The Exchange does not believe that the proposed rule change will impose any inappropriate burden on competition.

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 publication of this notice in the **Federal Register** or within such longer period (i) as the

[3] *See* Securities Exchange Act Release No. 34614 (August 30, 1994)(SR–PHLX–93–41), 59 FR 32034.

[4] The proposed stopping stock rule is substantially similar to the stopping stock rules adopted by the Boston Stock Exchange (''BSE'') and the Chicago Stock Exchange (''CHX''). *See* BSE Chapter II, Section 38 and CHX Article XX, Rule 28.

[5] Securities Exchange Act Release No. 39225 (October 8, 1997) (SR–PHLX–97–32), 62 FR 54147.

[6] *See* Secutities Exchange Act Release Nos. 39548 (January 13, 1998) (SR–PHLX–97–23), 63 FR 3596; 39640 (February 10, 1998) (SR–PHLX–98–05), 63 FR 8510; and 40006 (May 19, 1998) (SR–PHLX–98–10) 63 FR 29288.

[7] *See* BSE, Chapter II, Section 38(b).

[8] *See* Proposed Rule 220(d).

[9] *See* BSE Chapter II, Section 38, and CHX Article XX, Rule 28 and CHX Article XX, Rule 37, interpretation and policy .03. Both of these programs were initially approved as pilot programs, which, thereafter, received permanent approval. *See* Securities Exchange Act Release Nos. 37134 (April 22, 1996) (SR–BSE–96–03), 61 FR 18634 and 36401 (October 20, 1995) (SR–CHX–95–100, 60 FR 54893.

Commission may designate up to 90 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 the Exchange 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 proposal 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 this 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 at the Commission's Public Reference Room. Copies of such filing will also be available for inspection and copying at the principal office of the PHLX. All submissions should refer to File No. SR–PHLX–98–37 and should be submitted by November 19, 1998.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98–29010 Filed 10–28–98; 8:45 am]

BILLING CODE 5010–01–M

[10] 17 CFR 200.30–3(a)(12).

DEPARTMENT OF STATE

[Public Notice No. 2912]

Advisory Committee on International Economic Policy; Notice of Renewal

Renewal of Advisory Committee

The Department of State has renewed the Charter of the Advisory Committee on International Economic Policy. The Advisory Committee provides advice and assistance in the formulation of U.S. policy, positions, proposals and strategies for multilateral and bilateral negotiations particularly where the Department of State has the lead negotiating authority. More specifically, the Committee provides information and advice to the Secretary of State on effective integration of economic interests into overall foreign policy, the role and limits of international economic institutions, and State's role in advancing American commercial interests in a competitive global economy. The Under Secretary for Management has determined that the Committee is necessary and in the public interest.

The committee includes representatives of American organizations and institutions having an interest in international economic policy, and may include representatives of: American business with significant international trade interests; American labor unions; public interest groups; and/or trade and professional associations whose membership stands to be affected by international economic policy; legal or business consultants well-versed in such economic and trade aspects of foreign affairs; and academics representative of the various scholarly approaches to international economic policy.

The Assistant Secretary for Economic and Business Affairs chairs the Advisory Committee for the Secretary of State. The Committee meets quarterly. The Committee will follow the procedures prescribed by the Federal Advisory Committee Act (FACA). Meetings will be open to the public unless a determination is made in accordance with section 10(d) of the FACA, 5 U.S.C. 552b(c)(1) and (4), that a meeting or a portion of the meeting should be closed to the public. Notice of each meeting will be provided for publication in the **Federal Register** as far in advance as possible prior to the meeting.

For further information, please call: Sharon Rogers, Economic and Business Affairs Bureau, U.S. Department of State, (202) 647–5968.

Dated: October 16, 1998.

Holly A. Kenworthy,

Executive Secretary, Advisory Committee on International Economic Policy.

[FR Doc. 98–28948 Filed 10–28–98; 8:45 am]

BILLING CODE 4710–07–M

DEPARTMENT OF STATE

[Public Notice No. 2914]

Shipping Coordinating Committee; Subcommittee on Ocean Dumping; Notice of Meeting

The Subcommittee on Ocean Dumping of the Shipping Coordinating Committee will hold an open meeting on December 2, 1998 from 1:30 p.m. to 3:30 p.m. to obtain public comment on the issues to be addressed at the December 14–18, 1998 Twentieth Consultative Meeting of the Contracting Parties to the London Convention, which is the global international treaty regulating ocean dumping. The meeting will also review the results of the Twenty-first Scientific Group Meeting of the London Convention held in April 1998.

The meeting will be held at Environmental Protection Agency offices located at the Fairchild Building, 499 South Capitol Street SW, Washington, DC 20003, Room 809. Interested members of the public are invited to attend, up to the capacity of the room.

For further information, please contact Mr. David Redford, Chief, Marine Pollution Control Branch, telephone (202) 260–1952.

Dated: October 20, 1998.

Stephen M. Miller,

Chairman, Shipping Coordinating Committee.

[FR Doc. 98–29036 Filed 10–28–98; 8:45 am]

BILLING CODE 4710–70–M

DEPARTMENT OF STATE

[Public Notice No. 2915]

Shipping Coordinating Committee Maritime Safety Committee, Notice of Meeting

The Shipping Coordinating Committee will conduct an open meeting at 9:00 A.M. on Wednesday, December 2, 1998, in Room 2415, at U.S. Coast Guard Headquarters, 2100 2nd Street, SW, Washington, DC. The purpose of this meeting will be to finalize preparations for the 70th Session of the Maritime Safety Committee, and associated bodies of the International Maritime Organization (IMO), which is scheduled for December 7–11, 1998, at IMO Headquarters in London. At this meeting, papers received and the draft U.S. positions will be discussed.

Among other things, the items of particular interest are:

a. Adoption of amendments to the Safety of Life at Sea.

b. Bulk carrier safety.

c. Implementation of the STCW Convention.

d. Matters related to the ISM Code.

e. Formal safety assessment.

f. Unsafe practices associated with the trafficking or transport of illegal migrant by sea, and

g. Report of five subcommittees—Radiocommunications and Search and