

procedures that apply to standard index options with certain modifications.

## 2. Proposed Amendments to Articles I and VI of the By-Laws

Under the proposed rule change, OCC will add a definition of "underlying interest" to Article I of the By-Laws to provide a generic term for underlying securities, indices, currencies, and other underlying interests. In addition, OCC will amend Article IV, Section 11 of the By-Laws to reflect that the term "index group" is no longer defined in relation to index options although it is still defined for IPs.

## 3. Proposed Amendments to Article XVII of the By-Laws

OCC will amend Article XVII of the By-Laws, which applies to index options generally, to add specific provisions applicable to differential index options and to revise certain terms to be sufficiently generic to apply to differential index options as well as other index options. The term "index group" will be eliminated altogether. The term "index security" will be added to refer to an individual security included in an index of securities.<sup>8</sup> The term "index security" will apply to differential index options only when either the designated interest or the benchmark is itself an index. Thus, for example, an individual security that is the designated interest with respect to a differential index is not included in the definition of an "index security." OCC will add other terms referring expressly to differential index options which OCC believes are self-explanatory.

OCC will amend Article XVII, Section 2 of the By-Laws for purposes of clarity. OCC does not intend for this amendment to create a substantive change.

OCC will modify Article XVII, Section 3 of the By-Laws to make it clear that as is the case with any other index option OCC will ordinarily make no adjustments to the terms of a differential index option if index securities are added to or deleted from or if their relative weight is changed in an underlying index that is either the designated interest or the benchmark for the differential index. In addition, OCC will make clear that it will ordinarily make no adjustments to the terms of a differential index option having a security as differential index or benchmark if certain dilutive or concentrative events occur, such as a stock split, or if certain extraordinary

events occur, such as a merger of the issuer. OCC will reserve the right to make an adjustment to the terms of a differential index option only if one of the enumerated events causes significant discontinuity in the level of the differential index and OCC determines that the discontinuity has not been adequately remedied.

In addition, OCC will make slight modifications to Article XVII, Section 4, relating to the unavailability or inaccuracy of index values, in order to incorporate provisions for differential index options. In addition, OCC will amend Article XVII, Section 5, relating to the time for determination of current index value, in order to eliminate the reference to index groups.

## 4. Proposed Amendments to Existing Rules

OCC will modify provisions in Rule 207 to accommodate differential index options. In addition, OCC will modify Interpretation and Policy .03 under Rule 602, Rule 1801(c), and Rule 1801(e) to remove references to index groups with respect to index options.

OCC believes that the proposed rule change is consistent with the purposes and requirements of Section 17A of the Act<sup>9</sup> and the rules and regulations thereunder because it applies the same procedures and safeguards to differential index options that OCC has employed with respect to other index options. OCC believes that these procedures have proven effective in promoting the prompt and accurate clearance and settlement of securities transactions and in safeguarding securities and funds.

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

OCC does not believe that the proposed rule change would have any material adverse impact on competition.

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

Written comments were not and are not intended to be solicited with respect to the proposed rule change and none have been received.

## 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 OCC 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, 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 OCC. All submissions should refer to File No. SR-OCC-98-09 and should be submitted by December 1, 1998.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.<sup>10</sup>

**Jonathan G. Katz,**  
Secretary.

[FR Doc. 98-30099 Filed 11-9-98; 8:45 am]

BILLING CODE 8010-01-M

## SMALL BUSINESS ADMINISTRATION

### [Declaration of Disaster #3145]

### State of Texas (Amendment #1)

In accordance with information received from the Federal Emergency Management Agency, the above-numbered Declaration is hereby amended to establish the incident period as beginning on October 17, 1998 and continuing through October 31, 1998.

All other information remains the same, i.e., the deadline for filing

<sup>8</sup>In addition, OCC will make technical amendments to the By-Laws and Rules to conform to these definitional changes.

<sup>9</sup> 15 U.S.C. 78q-1.

<sup>10</sup> 17 CFR 200.30-3(a)(12).

applications for physical damage is December 19, 1998 and for economic injury the termination date is July 19, 1999.

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

Dated: November 4, 1998.

**Herbert L. Mitchell,**

*Acting Associate Administrator for Disaster Assistance.*

[FR Doc. 98-30147 Filed 11-9-98; 8:45 am]

BILLING CODE 8025-01-U

## DEPARTMENT OF STATE

[Public Notice No. 2927]

### Shipping Coordinating Committee, International Maritime Organization (IMO) Legal Committee; Notice of Meeting

The U.S. Shipping Coordinating Committee (SHC) will conduct an open meeting at 10:00 a.m., on Thursday, December 3, 1998, in Room 2415 at U.S. Coast Guard Headquarters, 2100 Second Street, SW, Washington, DC. The purpose of this meeting is to report on the 78th session of the IMO Legal Committee, which was held October 19-23, 1998, in London. The meeting will address: provision of financial security for passenger claims, provision of financial security for other maritime claims, compensation for pollution from ships' bunkers, and a draft convention on wreck removal, as well as other matters.

Members of the public are invited to attend the SHC meeting, up to the seating capacity of the room. For further information, contact either Captain Malcolm J. Williams, Jr., or Lieutenant William G. Rospars, U.S. Coast Guard (G-LMI), 2100 Second Street, SW., Washington, DC 20593, telephone (202) 267-1527, fax (202) 267-4496.

Dated: November 4, 1998.

**Stephen M. Miller,**

*Chairman, Shipping Coordinating Committee.*

[FR Doc. 98-30104 Filed 11-9-98; 8:45 am]

BILLING CODE 4710-70-M

## OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

[Docket No. 301-100a]

### Implementation of WTO Recommendations Concerning the European Communities' Regime for the Importation, Sale and Distribution of Bananas

**AGENCY:** Office of the United States Trade Representative.

**ACTION:** Notice of proposed determination of action to be taken; request for public comment; notice of public hearing.

**SUMMARY:** The United States Trade Representative requests written comments and invites testimony in the context of a public hearing on its proposed determination that the imposition of prohibitive (100 percent *ad valorem*) duties on selected products from the European Communities (EC) is an appropriate action under section 306(b) and 301(a) of the Trade Act of 1974, as amended, should the EC fail to implement the recommendations of the World Trade Organization Dispute Settlement Body concerning the EC's regime for the importation, sale, and distribution of bananas within the prescribed reasonable period of time, which expires on January 1, 1999. The products to be affected by the proposed duty increase will be drawn from the list of products set forth in the Annex to this notice. The USTR intends to publish a notice on December 15, 1998 describing the actions that it would take, beginning as early as February 1, 1999.

**DATES:** Requests to testify at the public hearing and written testimony for the public hearing are due by noon on Monday, November 30, 1998; the public hearing will be held on Wednesday, December 9, 1998; written comments, in lieu of written and oral testimony, are due by noon on Thursday, December 10, 1998; and rebuttal briefs, if needed, are due by noon on Friday, December 11, 1998.

**ADDRESSES:** 600 17th Street, NW, Washington, DC 20508.

**FOR FURTHER INFORMATION CONTACT:** Rachel Shub, Associate General Counsel, (202) 395-7305; or Ralph Ives, Deputy Assistant U.S. Trade Representative, (202) 395-3320.

**SUPPLEMENTARY INFORMATION:** January 1, 1999 is the deadline for the European Communities' (EC) implementation of the recommendations of the World Trade Organization (WTO) Dispute Settlement Body (DSB) concerning the EC's regime for the importation, sale, and distribution of bananas (banana regime). On October 22, 1998, the United States Trade Representative (USTR) published a notice [63 FR 56687] of a proposed affirmative determination under section 306(b) of the Trade Act of 1974, as amended (Trade Act) (19 U.S.C. 2416), that the measures the EC has undertaken to apply as of January 1, 1999 fail to implement the WTO recommendations concerning the EC banana regime. Such

a determination will require the USTR also to determine what further action to take under section 301(a) in the event the EC has failed to implement the WTO recommendations by January 1, 1999.

Permissible actions under section 301(a) of the Trade Act include: action to suspend, withdraw or prevent the application of benefits of trade agreement concessions to the EC; imposition of duties or other import restrictions on goods of the EC or fees or restrictions on services of the EC; and restriction or denial of service sector access authorizations with respect to services of the EC. The USTR proposes that the imposition of prohibitive (100 percent *ad valorem*) duties on selected products from the EC is an appropriate action should the EC fail to implement the WTO recommendations within the prescribed reasonable period of time. The products to be affected by the duty increase will be drawn from the list of products set forth in the Annex to this notice.

The USTR intends to publish a notice on December 15, 1998 describing the actions that it would take beginning February 1, 1999. If the EC requests arbitration under Article 22.6 of the WTO Dispute Settlement Understanding (DSU), the USTR would delay implementation of action until the completion of the arbitration proceedings or until March 3, 1999, whichever is earlier.

The announcement of the USTR's determination on December 15 and the subsequent implementation of action are contingent upon the EC's failure to suspend the implementation of its new banana regime and to implement a regime consistent with the WTO's recommendations. The dates on which the USTR intends to implement action—February 1 or no later than March 3, 1999—correspond to the dates contemplated by sections 306(b) and 305(a) of the Trade Act as well as Article 22 of the DSU.

Section 306(b) of the Trade Act requires the USTR to determine what further action it shall take under section 301(a) if the USTR considers that a foreign country has failed to implement a recommendation made pursuant to dispute settlement proceedings under the WTO. The USTR shall make this determination no later than thirty days after the expiration of the reasonable period of time provided for such implementation under Article 21.3 of the DSU, which is January 31, 1999 in this case. Section 305(a)(1) requires the USTR to implement such action by no later than thirty days after the date on which that determination is made, or March 2 in this case.