

the Use of Panoramic Dry Source-Storage Irradiators, Self-Contained Wet Source-Storage, and Panoramic Wet Source-Storage Irradiators," dated December 27, 1984. In addition, this draft report also contains pertinent information found in Technical Assistance Requests and Information Notices.

This draft report is for public comment only, and is NOT for use in preparing or reviewing applications for 10 CFR Part 36 irradiators until it is published in final form. It is being distributed for comment to encourage public participation in its development.

DATES: The comment period ends July 22, 1998. Comments received after that time will be considered if practicable.

ADDRESSES: Submit written comments to: Chief, Rules and Directives Branch, Division of Administrative Services, Office of Administration, U. S. Nuclear Regulatory Commission, Washington, DC 20555-0001. Hand deliver comments to 11545 Rockville Pike, Rockville, Maryland, between 7:15 a.m. and 4:30 p.m. on Federal workdays. Comments may also be submitted through the Internet by addressing electronic mail to DLM1@NRC.GOV.

Those considering public comment may request a free single copy of draft NUREG-1556, Volume 6, by writing to the U.S. Nuclear Regulatory Commission, ATTN: Mrs. Sally L. Merchant, Mail Stop TWFN 8F5, Washington, DC 20555-0001. Alternatively, submit requests through the Internet by addressing electronic mail to SLM2@NRC.GOV. A copy of draft NUREG-1556, Volume 6, is also available for inspection and/or copying for a fee in the NRC Public Document Room, 2120 L Street, NW. (Lower Level), Washington, DC 20555-0001.

FOR FURTHER INFORMATION CONTACT: Mrs. Sally L. Merchant, Mail Stop TWFN 8-F5, Division of Industrial and Medical Nuclear Safety, Office of Nuclear Materials Safety and Safeguards, U.S. Nuclear Regulatory Commission, Washington, DC 20555, telephone (301) 415-7874; electronic mail address: SLM2@NRC.GOV.

Electronic Access

Draft NUREG-1556, Vol. 6 is also available electronically by visiting NRC's Home Page (<http://www.nrc.gov/NRC/nucmat.html>).

Dated at Rockville, Maryland, this 17th day of April, 1998.

For the Nuclear Regulatory Commission.

Donald A. Cool,

Director, Division of Industrial and Medical Nuclear Safety, Office of Nuclear Material Safety and Safeguards.

[FR Doc. 98-10846 Filed 4-22-98; 8:45 am]

BILLING CODE 7590-01-P

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-39878; File No. SR-Amex-98-18]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the American Stock Exchange, Inc., Relating to the Elimination of Fixed Percentage Tests for Trading Halts in Index Options

April 16, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act"), 15 U.S.C. 78s(b)(1), notice is hereby given that on April 10, 1998, the American Stock Exchange, Incorporated (the "Amex" or the "Exchange") filed with the Securities and Exchange Commission ("Commission") the proposed rule change as described in Items I and II 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 Amex proposes to amend Exchange Rule 918C to eliminate certain fixed percentage tests that presently apply to the decision to halt trading in index options as well as the decision to resume trading after such a halt. The text of the proposed rule change is available at the Office of the Secretary, Amex 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 Amex 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 Amex 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 the Statutory Basis for, the Proposed Rule Change

1. Purpose

The Exchange seeks to amend Exchange Rule 918C, "Trading Halts or Suspensions," to eliminate certain fixed percentage tests that presently apply to the decision to halt trading in index options as well as the decision to resume trading after such a halt.

a. Trading halts. Currently, under Exchange Rule 918C, one of the enumerated factors that the designated Exchange officials may consider in deciding whether to halt trading in an index option is whether trading has been halted or suspended in underlying stocks whose weighted value represents "20% or more of the current index group value." The Exchange is concerned that by including a fixed percentage test among those factors that "may be considered," the present rule may imply that it would be improper for the designated Exchange officials to consider trading interruptions in underlying stocks whose weighted value represents less than 20% of the index value.

The Exchange believes such an interpretation would conflict with the purpose of Exchange Rule 918C, which grants designated Exchange officials the discretion to halt index option trading whenever they "deem such action appropriate in the interest of a fair and orderly market or to protect investors." Because Exchange Rule 918C(b) sets forth a non-exclusive list of factors that Exchange officials may consider in exercising that discretion, the Exchange contends it would be inappropriate to prohibit those officials from considering trading disruptions in underlying stocks that fall below a predetermined level. Accordingly, the proposed rule change would clarify that Exchange officials, in evaluating whether to halt trading in index options, are not limited to situations in which 20% of the underlying stocks have halted, but rather may consider "the extent to which" trading is not occurring in the underlying stocks.

In addition, the proposed rule change would provide Exchange officials with the flexibility to consider not only whether trading in underlying stocks has been "halted or suspended," but also whether such trading is "not occurring." The term "halted or suspended" indicates that Exchange authorities have taken formal action to discontinue trading in a stock. However, in deciding whether to continue trading a derivative instrument like an index

option, Exchange officials should be able to consider the full extent to which underlying stocks are not trading, whether trading is not occurring because of formal exchange action, systemic problems, market emergencies, or other cause. The proposed rule change would clarify that in determining whether to halt index option trading, Exchange officials may consider the extent to which "trading is not occurring" in the underlying stocks, without limiting that consideration to formal halts or suspensions.

The Exchange also believes that Exchange Rule 918C may imply that the Exchange is required to calculate, on an ongoing basis, the extent to which stocks underlying a subject index are trading. The Exchange contends that such calculations would be difficult to perform on a real time basis for those indexes comprised of a large number of stocks (e.g., the S&P MidCap 400 Index, which consists of 400 stocks). The removal of the fixed percentage tests from Exchange Rule 918C is expected to rectify any misperception regarding the Exchange's duty to maintain and calculate trading information for stocks underlying an index on which options are traded.

b. Resumption of trading after trading halts. Currently, trading may resume when the designated Exchange officials determine that (i) the conditions that led to the halt no longer are present; (ii) underlying securities constituting 50% or more of the stock index value are not subject to halt or suspension in the primary market for the trading of such underlying securities; and (iii) two floor governors in consultation with a senior executive officer of the Exchange conclude in their best judgment that the interests of a fair and orderly market are served by a resumption of trading. The proposed rule change would eliminate the provision in Exchange Rule 918C(b)(ii) that makes trading in a fixed percentage of stocks underlying an index a prerequisite to the resumption of index options trading after a trading halt.

The Exchange will continue its practice of assessing the extent to which underlying stocks are trading in deciding whether to resume trading after an index options trading halt. However, the Exchange believes it is inappropriate to delay the resumption of trading until the level of trading in stocks underlying an index has reached a predetermined, fixed level, particularly since it often may be difficult to make a precise determination of trading activity for

indexes with a large number of constituent stocks.

Accordingly, the proposed rule change would eliminate the 50% fixed test and instead would specify that one of the factors that Exchange officials may consider in determining whether the "interests of a fair and orderly market are served by a resumption of trading" is "the extent to which trading is occurring in stocks underlying the index."

The proposed rule change would enable the Exchange to resume trading as soon as conditions warrant, without interposing an artificial barrier that might result from a fixed percentage test. The Exchange believes the proposed rule change continues to provide Exchange officials with the opportunity to give appropriate weight to the extent to which underlying stocks are trading.

2. Statutory Basis

The proposed rule change is consistent with Section 6(b) of the Act,¹ in general, and furthers the objectives of Section 6(b)(5),² in particular, in that it is designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, to foster cooperation and coordination with persons engaged in facilitating transactions in securities, and to remove impediments to and perfect the mechanism of a free and open market and a national market system.

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.

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

No written comments were solicited or received with respect to the proposed rule change.

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

Because the foregoing proposed rule change is based on substantively identical rules governing halting and resumption of trading in index options in place at the Chicago Board Options Exchange, Inc. (See Securities Exchange Act Release No. 39480 (December 22, 1997) 62 FR 68327 (December 31, 1997)

and: (1) does not significantly affect the protection of investors or the public interest; (2) does not impose any significant burden on competition; (3) does not become operative for 30 days from April 10, 1998, the date on which it was filed, and the Exchange provided the Commission with written notice of its intent to file the proposed rule change at least five business days prior to the filing date, it has become effective pursuant to Section 19(b)(3)(A) of the Act³ and Rule 19b-4(e)(6)⁴ thereunder. At any time within 60 days of the filing of the 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 the 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. 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 will also be available for inspection and copying at the principal office of the Amex. All submissions should refer to SR-Amex-98-18 and should be submitted by May 14, 1998.

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

Margaret H. McFarland,

Deputy Secretary.

[FR Doc. 98-10753 Filed 4-22-98; 8:45 am]

BILLING CODE 8010-01-M

¹ 15 U.S.C. 78f(b).

² 15 U.S.C. 78f(b)(5).

³ 15 U.S.C. 78s(b)(3)(A).

⁴ 17 CFR 240.19b-4(e)(6).

⁵ 17 CFR 200.30-3(a)(12).