

*Date and Time:* October 8–9, 1998; 8:30 A.M. until 5:00 P.M.

*Place:* Room 1020, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA.

*Type of Meeting:* Closed.

*Contact Person:* Dr. Joe Jenkins, Program Director, Analysis Program, Division of Mathematical Sciences, National Science Foundation, 4201 Wilson Boulevard, Arlington, VA 22230. Telephone: (703) 306–1879.

*Purpose of Meeting:* To provide advice and recommendations concerning proposals submitted to NSF for financial support.

*Agenda:* To review and evaluate the Analysis Program nominations/applications as part of the selection process for awards.

*Reason For Closing:* The proposals being reviewed include information of a proprietary or confidential nature, including technical information; financial data, such as salaries and personal information concerning individuals associated with the proposals. These matters are exempt under 5 U.S.C. 552b(c)(4) and (6) of the Government in the Sunshine Act.

Dated: September 17, 1998.

**M. Rebecca Winkler,**

*Committee Management Officer.*

[FR Doc. 98–25525 Filed 9–23–98; 8:45 am]

BILLING CODE 7555–01–M

## NUCLEAR REGULATORY COMMISSION

### Duke Energy Corporation; Notice of Reconstitution of Board

[Docket Nos. 50–269/50–270/50–287–LR  
1ASLBP No. 98–752–02–LR]

Pursuant to the authority contained in 10 C.F.R. 2.721, the Atomic Safety and Licensing Board in the Duke Energy Corporation proceeding, with the above-identified Docket Number, is hereby reconstituted by appointing Administrative Judge B. Paul Cotter, Jr. as the Board Chairman in place of Administrative Judge Thomas S. Moore.

As reconstituted, the Board is comprised of the following Administrative Judges:

B. Paul Cotter, Jr., Chairman

Dr. Richard F. Cole

Dr. Peter S. Lam

All correspondence, documents and other material shall be filed with the Board in accordance with 10 C.F.R. 2.701 (1980). The address of the new member is: B. Paul Cotter, Jr., Atomic Safety and Licensing Board Panel, U.S. Nuclear Regulatory Commission, Washington, D.C. 20555.

Issued at Rockville, Maryland, this 18th day of September 1998.

**B. Paul Cotter, Jr.,**

*Chief Administrative Judge, Atomic Safety and Licensing Board Panel.*

[FR Doc. 98–25598 Filed 9–23–98; 8:45 am]

BILLING CODE 7590–01–P

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34–40448; International Series Release No. 1158; File No. SR–Amex–98–27]

### Self-Regulatory Organizations; American Stock Exchange, Inc.; Order Granting Accelerated Approval of Proposed Rule Change and Amendment No. 1 Thereto Relating to the Settlement of the Eurotop 100 Index

September 17, 1998.

#### I. Introduction

On July 8, 1998, the American Stock Exchange, Inc. (“Amex” or “Exchange”) filed with the Securities and Exchange Commission (“Commission”), pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 (“Act”) <sup>1</sup> and Rule 19b–4 thereunder, <sup>2</sup> a proposed rule change relating to the Eurotop 100 Index’s (“Index”) <sup>3</sup> settlement value methodology for options traded on the Index. On July 28, 1998, the Exchange filed an amendment to the proposed rule change (“Amendment No. 1”). <sup>4</sup> The proposed rule change and Amendment No. 1 were published for comment in the **Federal Register** on August 26, 1998. <sup>5</sup> The Commission received no comments on the proposal. This order approves the proposed rule change, as amended, on an accelerated basis.

<sup>1</sup> 15 U.S.C. 78s(b)(1).

<sup>2</sup> 17 CFR 240.19b–4.

<sup>3</sup> The Commission notes that the Eurotop 100 Index and the Financial Times—Stock Exchange (“FTSE”) Eurotop 100 Index are referring to the same index. Telephone conversation between Scott G. Van Hatten, Legal Counsel, Amex, and James T. McHale, Special Counsel, Division of Market Regulation (“Division”), Commission, on September 15, 1998.

<sup>4</sup> Amendment No. 1 made the following clarifications: (i) the London International Financial Futures and Options Exchange (“LIFFE”) will be the new official calculation agent of settlement values; (ii) the current agent is the European Options Exchange; and (iii) reference to the maintenance of the Index by the Exchange is deleted from the filing. See letter from Scott G. Van Hatten, Legal Counsel, Amex to Sharon Lawson, Senior Special Counsel, Division, Commission (July 27, 1998).

<sup>5</sup> Securities Exchange Act Release No. 40343 (August 19, 1998), 63 FR 45538 (August 26, 1998).

## II. Description of the Proposal

The Exchange proposes to revise the settlement value methodology for options on the Index in response to a change in the official calculation agent from EOE to LIFFE. Currently, the settlement value for options overlying the Index, calculated on the third Friday of the month, is based on the average of the Index values calculated at 5 minute intervals between 12:30 p.m. and 1 p.m. Central European Time (C.E.T.) (6:30 a.m. and 7:00 a.m. Eastern Standard Time (E.S.T.)). <sup>6</sup> Accordingly, on each expiration Friday, the settlement value is calculated by averaging the Index values quoted at 12:30, 12:35, 12:40, 12:45, 12:50, 12:55 and 1:00 p.m. The Exchange settles its Index options contracts based on this value, reduced by a factor of one-tenth (0.10).

The new settlement value calculation uses a similar averaging methodology, but instead of every five minutes, the new settlement value will be an average of the Index’s values taken every fifteen seconds during the period of 12:40 p.m. to 1:00 p.m. C.E.T. The values averaged during the twenty minute period will exclude the twelve highest and twelve lowest values, resulting in a settlement value made up of the average of 57 individual index values. <sup>7</sup> The Exchange has represented the FTSE Eurotop 100 Index futures contracts traded on the New York Mercantile Exchange (“NYMEX”) will settle using the new settlement methodology for all Index futures contracts expiring after December 1998. Moreover, the Amex has represented that in June 1998, FTSE Eurotop 100 Index futures contracts traded on LIFFE and the Amsterdam Exchange FTSE Eurotop 100 Ecu options contracts began settling using the new settlement methodology.

The settlement value using the existing methodology will continue to be disseminated by the Exchange and used to settle contracts expiring through December 1998. Options expiring after December 1998 will be settled using the new settlement methodology. <sup>8</sup> No other changes are being proposed to the Index. The Exchange will inform its members of the change in the settlement

<sup>6</sup> The current settlement methodology has been used since initial approval of options on the Index in 1992. See Securities Exchange Act Release No. 30463 (March 11, 1992), 57 FR 9284 (March 17, 1992).

<sup>7</sup> The Amex will continue to reduce the LIFFE-calculated settlement value by a factor of one-tenth (0.10) when the Exchange settles its Index option contracts.

<sup>8</sup> Currently, there are no outstanding contracts that expire after December 1998.

methodology through dissemination of an information circular.

### III. Discussion

The Commission finds that the proposed rule change, as amended, is consistent with the Act<sup>9</sup> and in particular, with Section 6(b) of the Act.<sup>10</sup> Specifically, the Commission believes that the proposal is consistent with the Section 6(b)(5) requirement that the rules of an exchange be designed to prevent fraudulent and manipulative acts and practices, to promote just and equitable principles of trade, and in general to protect investors and the public interest in that the use of more samples in arriving at the settlement value should be a more accurate method of calculating the average of these individual index values.

In particular, the Commission notes that the original approval order for the Index options<sup>11</sup> permitted a similar Index average price methodology to be used for Index options settlement purposes. While the time period for averaging the Index values is reduced by ten minutes (changing from 12:30–1:00 C.E.T. to 12:40–1:00 C.E.T.), because the new settlement Index value will be calculated using Index values reported every 15 seconds, rather than values reported every five minutes, there will be a much larger sample of index values that will be averaged for settlement purposes. Moreover, removing the twelve highest and twelve lowest prices from the index settlement value calculation should help to ensure that the settlement value is not affected by temporary highs and lows in the Index's value. The Commission also believes the proposed methodology should contribute to the maintenance of fair and orderly markets by eliminating potential disparities between the settlement values of Index options traded on the Amex and options and futures contracts on the same index traded on other markets. Furthermore, the Exchange will issue a regulatory circular to its membership concerning the new settlement methodology in order to avoid investor confusion. Finally, the Commission notes that no outstanding Index options will be affected by the change.<sup>12</sup>

<sup>9</sup>In approving this rule change, the Commission has considered the proposed rule's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

<sup>10</sup> 15 U.S.C. 78f(b).

<sup>11</sup> See *supra* note 6.

<sup>12</sup> The Exchange has represented that all currently outstanding options on the Index will expire on or before December 1998.

The Commission finds good cause for approving the proposal, as amended, prior to the thirtieth day after the date of publication of notice of filing in the **Federal Register**. As discussed above, the proposal refines the way existing settlement values are calculated for the Index by providing more prices to be used in calculating the Index's settlement value. Further, accelerated approval will permit the Exchange to implement the new settlement methodology starting with options that begin trading on September 21, 1998 and ensures that no options utilizing the old settlement methodology will be outstanding after the December 1998 expiration. In addition, the Commission believes that the proposed settlement value does not present any new or novel regulatory issues. Finally, there were no comments from the public on the proposal during the 21 day comment period. Accordingly, the Commission believes that it is consistent with Sections 6(b)(5) and 19(b)(2) of the Act to approve the proposed rule change, including Amendment No. 1, on an accelerated basis.

### IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,<sup>13</sup> that the proposed rule change, as amended (SR-Amex-98-27), is hereby approved on an accelerated basis.

For the Commission by the Division of Market Regulation, pursuant to delegated authority.<sup>14</sup>

[FR Doc. 98-25491 Filed 9-23-98; 8:45 am]

BILLING CODE 8010-01-M

## SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40443; File No. SR-NASD-98-67]

### Self-Regulatory Organizations; Notice of Filing of Proposed Rule Change and Amendment No. 1 Thereto by the National Association of Securities Dealers, Inc. Relating to Policies Regarding Authority Over American Stock Exchange LLC and Composition of Board of Governors of American Stock Exchange LLC

September 16, 1998.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Exchange Act" or "Act"),<sup>1</sup> notice is hereby given that on September 14, 1998, the National Association of Securities Dealers, Inc. ("NASD" or

<sup>13</sup> 15 U.S.C. 78s(b)(2).

<sup>14</sup> 17 CFR 200.30-3(a)(12).

<sup>1</sup> 15 U.S.C. 78s(b)(1).

"Association") 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 self-regulatory organization. The NASD filed an amendment to the filing on September 16, 1998.<sup>2</sup> 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 NASD has filed a proposed rule change to state two policies regarding NASD's oversight of American Stock Exchange LLC ("Amex LLC") and the composition of the Board of Governors of Amex LLC. Below is the text of the proposed rule change:

#### Policy With Respect to Authority Over American Stock Exchange LLC

Under the Transaction Agreement dated as of May 8, 1998, by and among the NASD, American Stock Exchange, Inc., and certain other related parties (the "Transaction Agreement" and, together with the agreements and other documents attached thereto, the "Transactional Documents"), Amex LLC will be and remain a self-regulatory organization registered under Section 6 of the Act, and as such will have statutory authority and responsibility over, among other things, the disciplining of its members, the amendment, repeal or addition of provisions to its Constitution and Rules (subject only to the power of the NASD to withhold consent to any such action affecting the Constitution of Amex LLC), the listing and delisting of securities, the grant or denial of membership in Amex LLC and approval of status as an approved person or allied member, and the grant or denial of access of facilities of and services offered by Amex LLC, all subject to the power of the Securities and Exchange Commission under the Securities Exchange Act of 1934 (the "Act").

Subject to the terms and conditions of the Transactional Documents, the NASD will enjoy a controlling interest in Amex LLC, including in the selection of a majority of the Amex LLC Board of Governors and, through its influence over the Board of Governors, in the allocation of the resources of Amex LLC.

<sup>2</sup> See Letter to Katherine England, Commission, from T. Grant Callery, NASD, dated September 16, 1998 ("Amendment No. 1"). Amendment No. 1 replaces entirely the Exhibit No. 1 originally submitted with the rule filing.