

guaranteed by the carrying broker-dealer. This change conforms the NYSE's proposal to the CBOE proposal approved previously by the commission.

Based on the above, the Commission finds that good cause exists, consistent with Section 19(b) of the Act,⁷⁷ to accelerate approval of Amendment Nos. 1 and 2 to the proposed rule change.

V. Solicitation of Comments

Interested persons are invited to submit written data, views, and arguments concerning Amendment Nos. 1 and 2, including whether Amendment Nos. 1 and 2 are 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 20549-0609. 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 Room. Copies of such filing will also be available for inspection and copying at the principal office of the NYSE. All submissions should refer to file number SR-NYSE-99-03 and should be submitted by November 12, 1999.

VI. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,⁷⁸ that the proposed rule change (SR-NYSE-99-03), as amended, is approved. The approved margin requirements shall become effective the earlier of January 20, 2000 or such date the Exchange represents in writing to the Commission that the Exchange is prepared to fully implement and monitor the approved margin requirements.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.⁷⁹

Jonathan G. Katz,
Secretary.

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⁷⁷ 15 U.S.C. 78s(b).

⁷⁸ 15 U.S.C. 78s(b)(2).

⁷⁹ 17 CFR 200.30-3(a)(12).

SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-42006; File No. SR-PHLX-99-36]

Self-Regulatory Organizations; Notice of Filing and Immediate Effectiveness of Proposed Rule Change by the Philadelphia Stock Exchange, Inc. Relating to Permanent Approval of the X.Station Enhancement to the Electronic Order Book on the Options Floor

October 13, 1999.

Pursuant to Section 19(b)(1) of the Securities Exchange Act of 1934 ("Act")¹ and Rule 19b-4 thereunder,² notice is hereby given that on September 3, 1999, the Philadelphia Stock Exchange, Inc. ("Phlx" or "Exchange") filed with the Securities and Exchange Commission ("Commission" or "SEC") the proposed rule change as described in Items I, II, and III below, which Items have been prepared by the Exchange.³ 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

Phlx proposes to adopt the X.Station enhancement to the electronic order book on the options floor on a permanent basis.

II. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

In its filing with the Commission, Phlx 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. Phlx has prepared summaries, set forth in Sections A, B, and C below, of the most significant aspects of such statements.

¹ 15 U.S.C. 78s(b)(1).

² 17 CFR 240.19b-4.

³ Amendment No. 1, which was filed on October 7, 1999, provided a nonsubstantive discussion about the success of the X.Station enhancement. See Letter to Mike Walinkas, Associate Director, Division of Market Regulation ("Division"), SEC, from Nandita Yagnik, Attorney, Phlx, dated September 30, 1999.

A. Self-Regulatory Organization's Statement of the Purpose of, and Statutory Basis for, the Proposed Rule Change

1. Purpose

On May 7, 1998, the Commission approved, on a pilot basis, the implementation of the X.Station enhancement to the electronic order book on the options floor of the Phlx.⁴ The pilot was extended twice and will expire on October 23, 1999.⁵ As described in Rule 1080, Commentary .02, the electronic order book is an automated mechanism for specialists to hold and display orders based on price/time priority. The X.Station enhancement⁶ provides certain improvements to the electronic order book such as expedited non-AUTO-X order execution and expedited cancel replacement processing.

AUTO-X is the automatic execution feature of the Automated Options Market System, the electronic order delivery and routing system for options orders. Previously, AUTO-X orders were executed against a "shadow account" for which the specialist was ultimately responsible. The execution was immediately reported back to the sending firm, and then, the specialist manually input the contra-side interest representing the booked order that became due as a result of the AUTO-X trade.

At this time, the Exchange proposes to adopt the X.Station enhancement on a permanent basis. The X.Station enhancement to the electronic order book matches incoming AUTO-X orders with booked orders by allowing the specialist to match two participants directly, without the specialist participating in the trade, by dropping the order to manual status.⁷ The match is not automatic; the specialist drops the order to a manual status in order for the

⁴ Security Exchange Act Release No. 39972 (May 7, 1998), 63 FR 26666 (May 13, 1998).

⁵ Securities Exchange Act Release Nos. 40625 (November 2, 1998), 63 FR 60435 (November 9, 1998) and 41323 (April 22, 1999), 64 FR 23378 (April 30, 1999).

⁶ The X.Station enhancement has been deployed floor-wide.

⁷ The X.Station enhancement only applies to incoming AUTO-X orders on the electronic order book that are due a fill (e.g., if an order is touching the book). All other AUTO-X orders are automatically executed through the wheel. When an AUTO-X order is due on the electronic order book, the order will flash red, notifying the specialist. The specialist then clicks on the order, dropping the order to manual status. Finally, the specialist fills the order from the crowd, if required by the parity/priority rules, or fills the order with the matching order from the electronic order book. Telephone conversation between Nandita Yagnik, Attorney Phlx, and Heather Traeger, Attorney, Division, SEC (October 13, 1999).

specialist to determine whether crowd participation under current parity/priority rules is due before executing the trade.⁸ Thus, the specialist must "select" the orders on the book to execute the trade. Because the AUTO-X order has dropped to manual, the sending firm will not receive an execution report until the specialist selects and executes the trade.

The X.Station enhancement affords specialists relief from the manual burden of inserting trade participant and clearing information by writing an order ticket for the booked order. The X.Station enhancement should continue to reduce the amount of paper processed on the options floor; this in turn, should continue to reduce handling and processing time, including the likelihood of errors, thereby facilitating more prompt and accurate trade reporting.

2. Statutory Basis

Phlx believes that the proposed rule change is consistent with Section 6(b)⁹ of the Act in general and furthers the objectives of Section 6(b)(5)¹⁰ in particular, because it fosters cooperation and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, to remove impediments to and perfect the mechanism of a free and open market and a national market system, as well as to protect investors and the public interest by enhancing efficiency through automation in the options market.¹¹

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

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

The proposed rule change has become effective pursuant to Section 19(b)(3)(A) of the Act¹² and Rule 19b-4(f)(5)

thereunder.¹³ The proposal effects a change in an existing order-entry or trading system of a self-regulatory organization that (i) does not significantly affect the protection of investors or the public interest; (ii) does not impose any significant burden on competition; and (iii) does not have the effect of limiting the access to or availability of the system. 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 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 DC 20549-0609. 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 at the Commission's Public Reference Room. Copies of such filing also will be available for inspection and copying at the principal office of the Phlx. All submissions should refer to File No. SR-PHLX-99-36 and should be submitted by November 12, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁴

Jonathan G. Katz,
Secretary.

[FR Doc. 99-27604 Filed 10-21-99; 8:45 am]

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DEPARTMENT OF STATE

[Public Notice No. 3133]

Advisory Panel to the United States Section of the North Pacific Anadromous Fish Commission; Notice of a Closed Meeting

The Advisory Committee to the United States Section of the North Pacific Anadromous Fish Commission will meet on October 25, 1999, at the Westpark Baranof Hotel, 127 North Franklin Street, Juneau, Alaska. This session will involve discussion of the Seventh Annual Meeting of the North Pacific Anadromous Fish Commission, to be held on October 24-29, 1999. Notice is being provided within 15 days of this meeting due to scheduling requirements of the Committee. The discussion will begin at 2:00 p.m. and is closed to the public.

The members of the Advisory Committee will examine various options for the U.S. position at the Seventh Annual Meeting. These considerations must necessarily involve review of sensitive matters, the disclosure of which would frustrate U.S. participation at the Annual Meeting. Accordingly, the determination has been made to close the 2:00 p.m. meeting pursuant to Section 10(d) of the Federal Advisory Committee Act and 5 U.S.C. Section 552b(c)(9).

Requests for further information on the meeting should be directed to Ms. Sally Cochran, International Relations Officer, Office of Marine Conservation (OES/OMC), Room 5806, U.S. Department of State, Washington, D.C. 20520-7818. Ms. Cochran can be reached by telephone on (202) 647-2883 or by FAX (202) 736-7350.

Dated: October 19, 1999.

R. Tucker Scully,

Deputy Assistant Secretary for Oceans, Fisheries and Space.

[FR Doc. 99-27781 Filed 10-20-99; 3:00 pm]

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DEPARTMENT OF TRANSPORTATION

Coast Guard

[USCG-1999-6334]

Collection of Information by Agency Under Review by Office of Management and Budget

AGENCY: Coast Guard, DOT.

ACTION: Request for comments.

SUMMARY: In compliance with the Paperwork Reduction Act of 1995, 44 U.S.C. 3501-3520, the Coast Guard

⁸ See Phlx Rule 101(g).

⁹ 15 U.S.C. 78f(b).

¹⁰ 15 U.S.C. 78f(b)(5).

¹¹ In reviewing the proposed rule change, the Commission considered its impact on efficiency, competition, and capital formation. 15 U.S.C. 78c(f).

¹² 15 U.S.C. 78s(b)(3)(A).

¹³ 17 CFR 240.19b-4(f)(5).

¹⁴ 17 CFR 200.30-3(a)(12).