

proposed rule change could arguably have some negative impact on crowd participants, other than customers, the Commission believes the proposal is consistent with the Act.

The Commission believes that customers, as they are defined in Exchange Rule 1014(h),¹⁵ will not be disadvantaged by the proposal and that current benefits available to customers will not be affected. Specifically, customer bids/offers for less than 100 FCO contracts will continue to have time priority over all other bids/offers. In that instance, an FCO specialist cannot be on parity with such customer, and as a result the enhanced parity split will not apply. The time priority ensures that customers' smaller FCO orders will be filled first and that FCO specialists will not benefit to the detriment of FCO customers.

The Commission notes that Exchange Rule 1014(h) does not confer time priority on customer orders for 100 or more FCO contracts. Under the proposal, therefore, an FCO specialist on parity with a customer orders for 100 or more FCO contracts will receive the enhanced parity split. However, the proposal specifies that the application of the enhanced parity split cannot cause the customer to receive a smaller participation than any other crowd participant, including the specialist. The Commission believes this provision adequately protects customer orders for 100 or more FCO contracts from any negative impact that might flow from application of the enhanced parity split. As a result, the customer is ensured a participation that, at a minimum, is equal to that given any other crowd participant on parity. Finally, the Commission notes that this provision is consistent with the enhanced parity split that applies to specialists trading equity and index options.¹⁶

The Commission finds good cause for approving Amendment Nos. 1 and 2 to the proposed rule change prior to the thirtieth day after the date of publication of notice of filing thereof in the **Federal Register**. The Commission believes the Exchange's FCO specialists should begin receiving the benefits of the enhanced parity without delay. The Commission notes that Amendment No. 1 provides protection to customer orders for 100 or more FCO contracts by requiring that any such customer order on parity may not receive a smaller

participation than any other crowd participant, including the specialist. The Commission believes this change strengthens the proposal by providing protection to customer order for 100 or more FCO contracts that might otherwise be impacted negatively by full application of the enhanced parity split. Finally, Amendment No. 2 extends the expiration date of the Pilot Program to October 1, 1999, to allow the Exchange to implement the Pilot Program for one full year. The Commission believes, the Exchange will benefit by operating the Pilot Program for one year rather than a shorter period of time. A one year Pilot Program should provide the Exchange with sufficient experience to determine in what form the Pilot Program should be extended or made permanent, or whether the Pilot Program should be discontinued. Accordingly, the Commission believes it is consistent with Section 6(b)(5) of the Act¹⁷ to approve Amendment Nos. 1 and 2 to the Exchange's proposed rule change on an accelerated basis.

Interested persons are invited to submit written data, views, and arguments concerning Amendment Nos. 1 and 2 to the proposal, including whether the proposed rule change as modified by Amendment Nos. 1 and 2 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 submissions, 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 persons, 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 will be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR-Phlx-97-55 and should be submitted by November 12, 1998.

IV. Conclusion

It is therefore ordered, pursuant to Section 19(b)(2) of the Act,¹⁸ that the proposed rule change (SR-Phlx-97-55), as amended, is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.¹⁹

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OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Notice of Meeting of the Industry Sector Advisory Committee on Aerospace Equipment (ISAC-1)

AGENCY: Office of the United States Trade Representative.

ACTION: Notice of meeting.

SUMMARY: The Industry Sector Advisory Committee (ISAC-1) will hold a meeting on October 21, 1998 from 9:00 a.m. to 2:30 p.m. The meeting will be open to the public from 9:00 a.m. to 9:30 a.m. and closed to the public from 9:30 a.m. to 2:30 p.m.

DATES: The meeting is scheduled for October 21, 1998, unless otherwise notified.

ADDRESSES: The meeting will be held at the Department of Commerce Room 6808, located at 14th Street and Constitution Avenue, N.W., Washington, D.C., unless otherwise notified.

FOR FURTHER INFORMATION CONTACT: Fred Elliot, Department of Commerce, 14th St. Constitution Ave., N.W., Washington, D.C. 20230, (202) 482-1233 or Bill Daley, Office of the United States Trade Representative, 600 17th St. N.W., Washington, D.C. 20508, (202) 395-6120.

SUPPLEMENTARY INFORMATION: The ISAC-1 will hold a meeting on October 21, 1998 from 9:00 a.m. to 2:30 p.m. The meeting will include a review and discussion of current issues which influence U.S. trade policy. Pursuant to Section 2155(f)(2) of Title 19 of the United States Code and Executive Order 11846 of March 27, 1975, the Office of the U.S. Trade Representative has determined that part of this meeting will be concerned with matters the disclosure of which would seriously compromise the development by the United States Government of trade policy, priorities, negotiating objectives or bargaining positions with respect to the operation of any trade agreement and other matters arising in connection with the development, implementation and administration of the trade policy of the United States. During the discussion of such matters, the meeting will be closed to the public from 9:30 a.m. to 2:30 p.m. The meeting will be open to

¹⁵ Exchange Rule 1014(h) defines customer accounts as "all accounts other than ROT [Registered Options Trader], member or specialist accounts."

¹⁶ See Description of the enhanced parity split available to Exchange specialists trading equity and index options *supra* note 6.

¹⁷ 15 U.S.C. 78f(b)(5).

¹⁸ 15 U.S.C. 78s(b)(2).

¹⁹ 17 CFR 200.30-3(a)(12).

the public and press from 9:00 a.m. to 9:30 a.m. when other trade policy issues will be discussed. Attendance during this part of the meeting is for observation only. Individuals who are not members of the committees will not be invited to comment.

Pate Felts,

Acting Assistant United States Trade Representative, Intergovernmental Affairs and Public Liaison.

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BILLING CODE 3190-01-M

DEPARTMENT OF TRANSPORTATION

Research and Special Programs Administration

Office of Hazardous Materials Safety; Notice of Applications for Exemptions

AGENCY: Research and Special Programs Administration, DOT.

ACTION: List of applicants for exemptions.

SUMMARY: In accordance with the procedures governing the application for, and the processing of, exemptions from the Department of Transportation's Hazardous Materials Regulations (49 CFR Part 107, Subpart B), notice is hereby given that the Office of Hazardous Materials Safety has received the applications described herein. Each mode of transportation for which a particular exemption is requested is indicated by a number in the "Nature of Application" portion of the table below as follows: 1—Motor vehicle, 2—Rail freight, 3—Cargo vessel, 4—Cargo aircraft only, 5—Passenger-carrying aircraft.

DATES: Comments must be received on or before November 20, 1998.

ADDRESS COMMENTS TO: Records Center, Research and Special Programs

Administration, U.S. Department of Transportation, Washington, DC 20590.

Comments should refer to the application number and be submitted in triplicate. If confirmation of receipt of comments is desired, include a self-addressed stamped postcard showing the exemption application number.

FOR FURTHER INFORMATION CONTACT:

Copies of the applications (See Docket Number) are available for inspection at the New Docket Management Facility, PL-401, at the U.S. Department of Transportation, Nassif Building, 400 7th Street, SW. Washington, DC 20590.

This notice of receipt of applications for new exemption is published in accordance with Part 107 of the Hazardous Materials Transportation Act (49 U.S.C. 1806; 49 CFR 1.53(e)).

Issued in Washington, DC, on October 1, 1998.

J. Suzanne Hedgepeth,

Director, Office Hazardous Materials Exemptions and Approvals.

NEW EXEMPTIONS

Application No.	Docket No.	Applicant	Regulation(s) affected	Nature of exemption thereof
12071-N	RSPA-1998-4562	Pennwalt India Limited, Worli, Mumbai, IN.	49 CFR 172.101(B9), (B64) (B65) (T16) (T41) 249).	To authorize the transportation in commerce of IM101 portable tanks equipped with Polyvinylidene fluoride liner permanently fitted within ISO frame for use in transporting Bromine or Bromine solutions, Class 8. (Modes 1, 2, and 3.)
12142-N	RSPA-1998-4476	Aristech Chemical Corp., Pittsburgh, PA.	49 CFR 174.67(i)	To authorize rail cars to remain standing with unloading fittings attached without the physical presence of an unloader. (Mode 3.)
12143-N	RSPA-1998-4477	Austin Powder Co. Cleveland, OH.	49 CFR 172.101, 176.83(b).	To authorize the transportation of certain 5.1 oxidizers and 1.1 explosives be exempt from certain segregation criteria. (Mode 3.)
12144-N	RSPA-1998-4478	Sea-Land Service, Inc., Charlotte, NC.	49 CFR 176.170(b)	To authorize the transportation of explosive substances in freight containers that exceed the authorize net limit. (Mode 3.)
12145-N	RSPA-1998-4479	Dorbyl Heavy Engineering, Duncanville Vereeniging, SA.	49 CFR 178.245	To authorize the use of non-DOT specification steel portable tanks permanently fixed within ISO frames which are similar to DOT 51 portable tanks for use in transporting various hazardous materials. (Modes 1, 2, and 3.)
12146-N	RSPA-1998-4526	Luxfer Gas Cylinders, Riverside, CA.	49 CFR 173.302(a)(1), 175.3.	To authorize the manufacture, marking and sale of non-DOT specification fiber reinforced plastic hoop-wrapped cylinders for use in transporting nonflammable gases, Division 2.2 (Modes 1, 2, 3, 4, and 5.)
12147-N	RSPA-1998-4480	Portland General Electric, Rainer, OR.	49 CFR 173.416(a), 173.467.	To authorize the one-time transportation in commerce of a reactor vessel for disposal containing Class 7, radioactive material. (Modes 1, 3).
12148-N	RSPA-1998-4527	Eastman Kodak Company, Rochester, NY.	49 CFR 172.320, 173.3, 173.52, 173.54, 173.60, 174.3, 175.3, 177.801.	To authorize the transportation in commerce of not more than 25 grams of explosives and pyrotechnic material in a specially designed container. (Modes 1, 3, and 4).
12149-N	RSPA-1998-4528	CP Industries, Inc., McKeesport, PA.	49 CFR 178.45(h)	To provide for ultrasonically scanning of DOT 3T cylinders at time of manufacturing for use in transporting Division 2.1, 2.2 and 2.3 gases. (Modes 1, 2, 3, and 4).
12155-N	RSPA-1998-4558	S&C Electric Co., Chicago, IL.	49 CFR 172.301(c), 173.304.	To authorize the transportation in commerce of a specially designed non-DOT specification packaging containing compressed sulfur hexafluoride, Division 2.2. (Modes 1, 2, 3, and 4).