

cost associated with the ongoing maintenance and administration of the Nasdaq web security infrastructure.

This proposal is a direct response to requests from professional Nasdaq market participants to increase the availability of Nasdaq-verified trading data through NasdaqTrader.com. Sell-side traders use share volume to display their trading activity in specific Nasdaq issues while buy-side representatives use similar data to determine which sell-side firm to select for execution of their orders. Post Data<sup>SM</sup> will provide a secure, controlled mechanism to allow these parties to view such data and make informed choices regarding their trading partners.

Modifications to Post Data<sup>SM</sup> during the pilot period will be limited to minor enhancements to the content of the package.<sup>5</sup> Any such modifications will be provided at no additional cost to the subscribers, and would be available to data vendors for redistribution.

Nasdaq recognizes the proprietary and confidential nature of the data contained in Post Data<sup>SM</sup>. As such, Nasdaq has established a secure information display and retrieval environment through the combined use of User IDs, passwords and digital certificates. To further protect NASD member firms' proprietary data, the service is designed so that the information will only be made available to the member firm itself, unless that member determines voluntarily to submit the information to be included in the Nasdaq Volume Post<sup>SM</sup> Report for dissemination to other subscribers or vendors.

Concerns for data protection, and the system security requirements needed to encourage greater disclosure of proprietary trading statistics, also shaped Nasdaq's determination to make Post Data<sup>SM</sup> available only to NASD member firms, market data vendors, and QIBs.<sup>6</sup> It is Nasdaq's belief that these groups represent the largest number of market participants who may benefit from the availability of the voluntarily disclosed, Nasdaq-verified trading volumes. At the same time, these participants are also the most likely to possess the requisite staff and resources to comply with the system security mandates. Moreover, the QIBs consist of entities registered with various

regulatory bodies, which Nasdaq believes provides an additional layer of protection against the improper use of its members' proprietary trading data. Finally, the definition of QIB on which Nasdaq seeks to rely has already been adopted by the Commission as a standard delineating the characteristics of institutional market participants.

Given the commercial uncertainties associated with the launching of any new data product, Nasdaq will be establishing this new service as a 12 month pilot program, beginning from the date of Commission approval, to evaluate user interest. At the end of the 12 month pilot, Nasdaq will evaluate the program and make a determination to either terminate the program, continue the program for an additional 12 month pilot, or continue the program as a permanent feature of NasdaqTrader.com.

Nasdaq believes that the proposed rule change is consistent with the provisions of Sections 15A(b)(5)<sup>7</sup> and 15A(b)(6)<sup>8</sup> of the Act. Section 15A(b)(5) requires the equitable allocation of reasonable fees and charges among members and other users of facilities operated or controlled by a national securities association. Section 15A(b)(6) requires that the rules of the association be designed to foster cooperation and coordination with persons engaged in facilitating transactions in securities and that are not designed to permit unfair discrimination between customers, issuers, brokers or dealers. Nasdaq believes that this program involves a reasonable fee assessed only to users and other persons utilizing the system and will provide useful information to all direct and indirect subscribers on a non-discriminatory basis.

#### *B. Self-Regulatory Organization's Statement on Burden on Competition*

Nasdaq does not believe that the proposed rule change, as amended, will result in any burden on competition that is not necessary or appropriate in furtherance of the purposes of the Act.

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

Written comments were neither solicited nor received.

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

Within 35 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 90 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 the self-regulatory organization 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 20549-0609. 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 NASD. All submissions should refer to file number SR-NASD-99-12 and should be submitted by April 30, 1999.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority:<sup>9</sup>

**Margaret H. McFarland,**  
*Deputy Secretary.*

[FR Doc. 99-8798 Filed 4-8-99; 8:45 am]

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### **DEPARTMENT OF STATE**

[Public Notice No. 3019]

### **Office of Defense Trade Controls; Notifications to the Congress of Proposed Export Licenses**

AGENCY: Department of State.

ACTION: Notice.

**SUMMARY:** Notice is hereby given that the Department of State has forwarded the attached Notifications of Proposed

<sup>5</sup> Nasdaq has represented to the Commission that changes to the content of the package will be limited to stylistic, non-substantive changes. Telephone conversation between Scott W. Anderson, Attorney, Office of the General Counsel, Nasdaq, and Joseph P. Morra, Attorney, Division of Market Regulation, Commission, on March 30, 1999.

<sup>6</sup> See *supra* note 4.

<sup>7</sup> 15 U.S.C. 78o-3(b)(5).

<sup>8</sup> 15 U.S.C. 78o-3(b)(6).

<sup>9</sup> 17 CFR 200.30-3(a)(12).

Export Licenses to the Congress on the dates shown on the attachments pursuant to section 36(c) and in compliance with section 36(e) of the Arms Export Control Act (22 U.S.C. 2776).

**EFFECTIVE DATE:** As shown on each of the three (3) letters.

**FOR FURTHER INFORMATION CONTACT:** Mr. William J. Lowell, Director, Office of Defense Trade Controls, Bureau of Political-Military Affairs, Department of State {(703) 875-6644}.

**SUPPLEMENTARY INFORMATION:** Section 38(e) of the Arms Export Control Act mandates that notifications to the

Congress pursuant to section 36(c) must be published in the **Federal Register** when they are transmitted to Congress or as soon thereafter as practicable.

Dated: April 5, 1999.

**William J. Lowell,**

*Director, Office of Defense Trade Controls.*

BILLING CODE 4710-25-P



United States Department of State

Washington, D.C. 20520

MAR 19 1999

Dear Mr. Speaker:

Pursuant to section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction contained in the attached certification involves technical assistance agreements with Russia providing for the marketing and sale of satellite launch services utilizing Proton rocket boosters and the performance of associated integration and launch services from Kazakhstan.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

A handwritten signature in cursive script, reading "Barbara Larkin".

Barbara Larkin  
Assistant Secretary  
Legislative Affairs

Enclosure:

Transmittal No. DTC 39-98

The Honorable

J. Dennis Hastert,

Speaker of the House of Representatives.



United States Department of State

Washington, D.C. 20520

MAR 8 1999

Dear Mr. Speaker:

Pursuant to section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount \$50,000,000 or more.

The transaction contained in the attached certification involves the export of two (2) Area Weapons Effect Simulator (AWES) systems to the United Kingdom for use by the Ministry of Defence.

The United States Government is prepared to license the export of these items having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

A handwritten signature in cursive script that reads "Barbara Larkin".

Barbara Larkin  
Assistant Secretary  
Legislative Affairs

Enclosure:

Transmittal No. DTC 54-99

The Honorable

J. Dennis Hastert,

Speaker of the House of Representatives.



## United States Department of State

*Washington, D.C. 20520*

MAR 24 1999

Dear Mr. Speaker:

Pursuant to section 36(c) of the Arms Export Control Act, I am transmitting herewith certification of a proposed license for the export of major defense services sold commercially under a contract in the amount of \$50,000,000 or more.

The transaction described in the attached certification involves the sale of one (1) AN/FPS-129 Radar System to the Government of Norway.

The United States Government is prepared to license the export of this item having taken into account political, military, economic, human rights, and arms control considerations.

More detailed information is contained in the formal certification which, though unclassified, contains business information submitted to the Department of State by the applicant, publication of which could cause competitive harm to the United States firm concerned.

Sincerely,

A handwritten signature in cursive script, reading "Barbara Larkin".

Barbara Larkin  
Assistant Secretary  
Legislative Affairs

Enclosure:

Transmittal No. DTC 63-99

The Honorable

J. Dennis Hastert,  
Speaker of the House of Representatives.