

the requirements of the Act and the rules and regulations thereunder applicable to a national securities association and, in particular, with the requirements of section 15A(b)(6).<sup>11</sup> Specifically, the Commission believes that the proposed rule change is designed to prevent just and equitable principles of trade, and is not designed to permit unfair discrimination between customers, issuers, brokers, or dealers.<sup>12</sup>

The Commission finds good cause to approve the proposed rule change prior to the 30th day after the date of publication of notice of filing thereof in the **Federal Register**. Specifically, the Commission notes that the proposed rule change would make the NASD's position limits for standardized equity options equivalent to the increases of the Options Exchanges that were recently approved by the Commission.<sup>13</sup> Accelerating the NASD proposed rule change will ensure consistent treatment for persons trading in standardized equity options in that an NASDs member from that is not a member of an Options Exchange and its customers will have the same position limits for standardized equity option as an NASD member firm that is also a member of an Options Exchange. The Commission believes that failing to approve the conforming rule change for position limits for standardized equity options would result in confusion, as well as inconsistent treatment as to firms that are NASD's member but not members of an Options Exchange, the category of persons for whom the NASD's standardized equity option position limits apply. Accordingly, the Commission believes it is consistent with section 15A of the Act to approve the proposed rule change on an accelerated basis.

#### 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. 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 will also be available for inspection and copying at the principal office of the Exchange. All submissions should refer to File No. SR-NASD-98-92 and should be submitted by February 9, 1999.

#### V. Conclusion

*It is therefore ordered*, pursuant to section 19(b)(2) of the Act,<sup>14</sup> that the proposed rule change (SR-NASD-98-92) is approved.

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>15</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-1044 Filed 1-15-99; 8:45 am]

BILLING CODE 8010-01-M

#### SECURITIES AND EXCHANGE COMMISSION

[Release No. 34-40893; File No. SR-PCX-98-64]

#### Self-Regulatory Organizations; Notice of Filing and Order Granting Accelerated Approval of Proposed Rule Change by the Pacific Exchange, Inc. Relating to Mandatory Year 2000 Testing

January 7, 1999.

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> notice is hereby given that on December 31, 1998, the Pacific Exchange, Inc. ("PCX" OR "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 and to approve the proposal on an accelerated basis.

#### I. Self-Regulatory Organization's Statement of the Terms of Substance of the Proposed Rule Change

The Exchange proposes that members and member organizations that have either direct electronic order flow or electronic clearing connections with the Exchange participate in testing of computer systems designed to prepare for year 2000.

The text of the proposed rule change is below. Proposed new language is italicized.

\* \* \* \* \*

#### Year 2000 Testing Requirements

*Rule 1.15. (a) Each member not associated with a member organization and each member organization that has either direct electronic order flow or electronic clearing connections with the Exchange must participate in testing of computer systems designed to provide reports related to such testing as requested by the Exchange.*

*(b) The Exchange may exempt a member or member organization from this requirement if that member or member organization cannot be accommodated in the testing schedule by the organization conducting the test or if the member of member organization does not have or use computer systems in the conduct of their business (other than those supplied by the Exchange), or for other good reasons.*

*(c) A member of member organization that is subject to this rule and fails to participate or provide requested reports may be subject to disciplinary action pursuant to PCX Rule 10.*

*(d) Every member or member organization that clears securities transactions on behalf of other broker-dealers must take reasonable measures to ensure that each broker-dealer for which it clears securities transactions conducts testing with such member.*

#### 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 Exchange included statements concerning the purpose of and basis for the proposed rule change and discussed and 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 Exchange has prepared summaries, set forth in Sections A, B and C below, of the most significant aspects of such statements.

<sup>11</sup> 15 U.S.C. 78o-3(b)(6).

<sup>12</sup> In approving this rule change, the Commission notes that it has considered the proposal's impact on efficiency, competition, and capital formation, consistent with section 3 of the Act. 15 U.S.C. 78c(f).

<sup>13</sup> See Exchanges' Position Limit Approval Order, *supra* note 8. The Commission incorporates by reference into this discussion its findings and rationale set forth in the Exchanges' Position Limit Approval Order *See id.*

<sup>14</sup> 15 U.S.C. 78s(b)(2).

<sup>15</sup> 17 CFR 200.30-3(a)(12).

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

<sup>2</sup> 17 CFR 240.19b-4.

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

1. Purpose

*Background.* The "Year 2000" problem could have disastrous consequences for a number of businesses, including those in the securities industry, if the necessary changes are not made and tested in advance of the beginning of year 2000. On January 1, 2000, the internal data in computers will change from "12/31/99" to "01/01/00." At that moment, if necessary changes have not been made to the computers' codes then a number of errors could occur in even the most routine processing. The computers may read the two digit "00" year code as 1900, or another incorrect date, instead of as 2000. Testing by and among a broad range of securities industry participants, including exchanges, registered clearing corporations and depositories, data processors and broker-dealers, will be of critical importance to ensure that the markets continue to operate efficiently after January 1, 2000.

*Proposal.* The proposed rule change establishes mandatory requirements for members and member organizations with regard to Year 2000 computer testing. Specifically, the Exchange proposes to require that members and member organizations that have either direct electronic order flow or electronic clearing connections with the Exchange participate in testing of computer systems designed to prepare for year 2000 in a manner and frequency as prescribed by the Exchange. Such testing may include PCX point-to-point testing and either Securities Industry Association ("SIA") extended point-to-point testing, SIA industry-wide testing or any other testing the Exchange deems warranted. The Exchange also proposes that such members or member organizations be required to provide reports related to such testing as requested by the Exchange, including, but not limited to, reports on test preparation, prerequisite testing, and success or failure of such tests.

In addition, the Exchange proposes that members and member organizations that do not use computers in the conduct of their business, other than those provided by the Exchange for order entry and similar purposes, may be excluded from the requirements of testing. The Exchange also proposes that members of member organizations that cannot be accommodated in the testing schedule by the organization conducting the testing, or for other good reasons,

may be excluded from the requirements of testing.

The Exchange further proposes that a member or member organization that is subject to this rule and fails to participate in the tests or fails to file any requested reports, may be subject to disciplinary action pursuant to PCX rule 10.

Finally, the Exchange proposes that every member or member organization that clears securities transactions on behalf of other broker-dealers must take reasonable measures to ensure that each broker-dealer for which it clears securities transactions conducts testing with such member.

2. Basis

The Exchange believes the proposed rule change is consistent with Section 6(b)<sup>3</sup> of the Act, in general, and furthers the objectives of Section 6(b)(5),<sup>4</sup> 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. In addition, the proposed rule change is designed to remove impediments to and perfect the mechanisms of a free and open market and a national market system, and to protect investors and the public interest.

*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 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 on the proposed rule change were neither solicited nor received.

**III. Commission's Findings and Order Granting Accelerated Approval of Proposed Rule Change**

After careful consideration, the Commission has concluded, for the reasons set forth below, that the proposed rule change is consistent with the requirements of the Act and the rules and regulations thereunder. Mandating Year 2000 testing and reporting is consistent with Section 6(b)(5) of the Act, which, among other aspects, requires that the rules of an exchange promote just and equitable principles of trade, fosters cooperation

and coordination with persons engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in securities, and remove impediments to and perfect the mechanism of a free and open market and a national market system. The Commission believes that the proposed rule change will facilitate the PCX's and member firms' efforts to ensure the securities markets' continued smooth operation during the period leading up to and beyond January 1, 2000.

The Exchange has requested that the Commission approved the proposed rule change prior to the 30th day after the date of publication of notice of the filing in the **Federal Register** because, in light of the industry wide tests that will soon begin and the tests that the Exchange is conducting, the Exchange wants to ensure that it can promptly deal with any problems that arise. The Commission finds good cause for approving the proposed rule change prior to the 30th day after the date of publication of notice of the filing in the **Federal Register**. It is vital that self-regulatory organizations ("SROs") such as the PCX have the authority to mandate that their member firms participate in Year 2000 testing and that they report test results (and other Year 2000 information) to the SROs. The proposed rule change will help the PCX participate in coordinating Year 2000 testing, including industry-wide testing, and in remediating any potential Year 2000 problems. This, in turn, will help ensure that the industry-wide tests and the PCX's Year 2000 efforts are successful. The proposed rule change will also help the PCX work with its member firms, the SIA, and other SROs to minimize any possible disruptions the Year 2000 may cause.

**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

<sup>3</sup> 15 U.S.C. 78f(b).

<sup>4</sup> 15 U.S.C. 78f(b)(5).

provisions of 5 U.S.C. 552, will be available for inspection and copying in the Commission's Public Reference Room, 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 PCX. All submissions should refer to File No. SR-PCX-98-60 and should be submitted by February 9, 1999.

## V. Conclusion

*It is therefore ordered*, pursuant to Section 19(b)(2) of the Act<sup>5</sup> that the proposed rule change (SR-PCX-98-64) is hereby approved on an accelerated basis.<sup>6</sup>

For the Commission, by the Division of Market Regulation, pursuant to delegated authority.<sup>7</sup>

**Margaret H. McFarland,**

*Deputy Secretary.*

[FR Doc. 99-1087 Filed 1-15-99; 8:45 am]

BILLING CODE 8010-01-M

## SMALL BUSINESS ADMINISTRATION

### Federal Assistance To Provide Financial Counseling and Other Technical Assistance to Women

**AGENCY:** Small Business Administration.

**ACTION:** Amendment to Program Announcement No. OWBO-99-012.

**SUMMARY:** The Small Business Administration (SBA) is amending the requirement regarding letters of commitment from state, local and community organizations. Where as item 7, (paragraph 2) on page 9 stated "\* \* \* the applicant must provide commitment letters and/or cooperative agreements from \* \* \*," this statement is revised as follows: "\* \* \* the applicant must provide commitment letters and/or cooperative agreements, preferably from organizations including state and local governments, women's business organizations, Chambers of Commerce, financial institutions, SBDCs and most importantly, SBA district offices."

**FOR FURTHER INFORMATION CONTACT:** Sally Murrell, (202) 205-6673 or Mina Wales (202) 205-6621.

**Sherrye P. Henry,**

*Assistant Administrator, Office of Women's Business Ownership.*

[FR Doc. 99-1048 Filed 1-15-99; 8:45 am]

BILLING CODE 8025-01-P

## SMALL BUSINESS ADMINISTRATION

### Region I Advisory Council; Public Meeting

The U.S. Small Business Administration Region I Advisory Council, located in the geographical area of Hartford, Connecticut will hold a public meeting at 8:30 a.m., on Monday, January 11, 1999, Hartford, District Office, 330 Main Street, 2nd Floor, Hartford, Connecticut 06106, to discuss such matters as may be presented by members, staff of the U.S. Small Business Administration, or others present.

#### FOR FURTHER INFORMATION CONTACT:

Marie A. Record, District Director, U.S. Small Business Administration, 330 Main Street, 2nd Floor, Hartford, Connecticut 06106, (860) 240-4700.

Dated: January 8, 1999.

**Shirl Thomas,**

*Director, External Affairs.*

[FR Doc. 99-1047 Filed 1-15-99; 8:45 am]

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## SMALL BUSINESS ADMINISTRATION

### Region IV, North Florida District; Jacksonville, Florida; Advisory Council; Public Meeting

The U.S. Small Business Administration, North Florida District Office, Jacksonville, Florida, Advisory Council will hold a public meeting from 12 p.m. to 2 p.m., January 14, 1999, at the U.S. Small Business Administration District Office, 7825 Baymeadows Way, Suite 100-B, Conference Room, Jacksonville, Florida, to discuss such matters as may be presented by members, staff of the U.S. Small Business Administration, or others present.

#### FOR FURTHER INFORMATION CONTACT:

Claudia D. Taylor, U.S. Small Business Administration, 7825 Baymeadows Way, Suite 100-B, Jacksonville, Florida 32256-7504, telephone (904) 443-1933.

Dated: January 8, 1999.

**Shirl Thomas,**

*Director, External Affairs.*

[FR Doc. 99-1046 Filed 1-15-99; 8:45 am]

BILLING CODE 8025-01-P

## SMALL BUSINESS ADMINISTRATION

### Wisconsin State Advisory Council; Public Hearing

The U.S. Small Business Administration Wisconsin State Advisory Council, located in the geographical area of Milwaukee,

Wisconsin, will hold a public meeting from 12:00 p.m. to 1:00 p.m. January 21, 1999 at Metro Milwaukee Area Chamber (MMAC) Association of Commerce Building; 756 North Milwaukee Street, Fourth Floor, Milwaukee, Wisconsin to discuss such matters as may be presented by members, staff of the U.S. Small Business Administration, or others present.

#### FOR FURTHER INFORMATION CONTACT:

Yolanda Lassiter, U.S. Small Business Administration, 310 West Wisconsin Avenue, Milwaukee, Wisconsin 53203; (414) 297-1092.

Dated: January 8, 1999.

**Shirl Thomas,**

*Director, Office of External Affairs.*

[FR Doc. 99-1045 Filed 1-15-99; 8:45 am]

BILLING CODE 8025-01-P

## DEPARTMENT OF STATE

[Public Notice No. 2958]

### Secretary of State's Advisory Committee on Private International Law; Study Group on International Family Support Enforcement Meeting Notice

There will be a public meeting of the Study Group on International Family Support Enforcement of the Secretary of State's Advisory Committee on Private International Law on Friday, January 29, 1999. The meeting will be held from 9:30 AM to 4:30 PM in Room 1107 of the U.S. Department of State, 2201 C Street, NW, Washington, DC 20520. The purpose of the meeting is to assist the Department of State to prepare the position of the U.S. delegation to a special commission session of the Hague Conference on Private International Law, April 13-16, 1999.

The Hague Conference on Private International Law (of which the United States is a member state) has scheduled the special commission session to review the operation of existing conventions dealing with the establishment, recognition, and enforcement of family support orders, and to explore the desirability of developing over the next four years a new Hague Convention on the enforcement of family support obligations. Such a convention could incorporate and revise certain features of the support enforcement process now included in the 1956 United Nations Convention on the Recovery Abroad of Maintenance, 268 U.N.T.S. 3 (1957); and four Hague conventions dealing with applicable law and recognition orders—1956 Convention sur la loi applicable aux obligations alimentaires envers les

<sup>5</sup> 15 U.S.C. 78s(b)(2).

<sup>6</sup> In approving the proposal, the Commission has considered the rule's impact on efficiency, competition and capital formation. 15 U.S.C. 78c(f).

<sup>7</sup> 17 CFR 200.30-3(a)(12).